

JPRS-SEA-84-175

18 December 1984

Southeast Asia Report

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18 December 1984

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BRIEFS

FRENCH DIPLOMATIC MISSION--Bandar Seri Begawan--France is the latest country to show interest in opening a diplomatic mission in Brunei. Monsieur Jacques Berniere, the French Ambassador to Singapore, who ended a week-long visit to Brunei this week, said his country hopes to open an embassy here next year. The ambassador is now accredited to Brunei, having presented his credentials to His Majesty the Sultan and Yang Dipertuan. [Excerpt] [Kuala Belait THE BORNEO BULLETIN in English 10 Nov 84 p 3 BK]

MEMBERSHIP IN BROADCASTING UNION--Bandar Seri Begawan--Radio Television Brunei's Acting Director, Pengiran Badaruddin bin Pengiran Ghani, left for Tokyo last weekend to attend the 21st General Assembly of the Asia Pacific Broadcasting Union (ABU). Brunei, currently an associate member of ABU, was set to become a full member of the union during the six-day conference. [Text] [Kuala Belait THE BORNEO BULLETIN in English 10 Nov 84 p 2 BK]

CSO: 4200/249

NEW BATTLEFRONT OPENED AGAINST KAREN REBELS

BK051208 Bangkok BANGKOK WORLD in English 5 Dec 84 p 2

[Text] Burmese Government troops have opened a new battlefront against Karen rebels close to the Karen headquarters near the Salween River, a Karen rebel said yesterday.

He said the battlefront was opened last week in Loung District opposite the Thai Province of Mae Hong Son.

The Second Brigade of the Karen National Liberation Army put up stiff resistance against the Burmese troops which used both air and ground attacks in their drive against the rebels, he said.

The new Burmese operation was aimed at pushing rebel forces down south, he added.

Casualties on both sides were not known.

There were also reports that some Burmese battalions were preparing to push Karen rebels in the south towards the Karen headquarters in the north.

Meanwhile, military sources said that Burmese forces were conducting military operations against Mon rebels at the Three Pagodas Pass near Songkhla Burm District of Kanchanaburi Province.

Several hundred Mon refugees are now massing near the Thai border, they said.

The refugees are in need of food and clothes, and many are suffering from malnutrition.

CSO: 6200/251

RICE SHORTAGES, LOOTING IN DELTA REPORTED

BK021434 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT
2 Dec 84

[Unattributed article: "The People Must Unite To Face the Rice Problem"]

[Text] Thanks to the military government, rice prices have once again risen—a second time—by leaps and bounds. The price rise, which ranges from 100 to more than 200 percent depending on the area, has easily outdone even the price rises of 1967. To think about it, just about 2 months before the present round of rice price rises, the military government's so-called president was giving long speeches to claim that the state economy was developing due to the efforts of the Burma Socialist Program Party [BSPP] Government.

The situation of the rice price rise today is such that it has caused serious concern among the people as well as for the military clique. The people are worried thinking about ways to cope with the rising price of rice as well as other commodities while the military clique is preoccupied with how to overcome the dissatisfaction and wrath of the people arising from a problem which is now beyond its control.

Looting of rice has been reported in many places in the country. According to preliminary reports, it is learned that there has been looting because of rice shortages even in Einme, Nyaungdon, Bogale, Mawgyun, Bassein, Myaungmya, Pyapon, Danubyu, and other places--areas which are well known for their high rice production. Many people have been arrested. There has been bloodshed with some reportedly killed. Although the rice price has fallen somewhat it is still well above the highest price before the increase.

In fact, a new surge in the prices of commodities began early this year. Price rises have been recorded in food as well as in transport and travel costs. Whatever attempts the military government may have been taken to cover up the truth, the revived corpse representing price rises is now beyond the control of Dr Frankenstein representing the military clique.

From the more than 20 years of experience they have had, people no longer have faith in the capability or the announcements of the BSPP Government. This is apparent from the fact that any bad news about the military government—even

rumors--spread very easily among the people. From the rice shortage experience they gained in 1967 and with the knowledge that the military government's foreign reserves were exhausted, it is natural for the people to be suspicious about whatever the military government does. People have also learned the hard way from life that the military clique only has an eye out for its own interests, that it tenaciously practices a "live and let die" policy, and that it would do anything to earn foreign exchange.

Statistics released by the military government are also one of those things considered most unreliable by the people. With greed prevailing in the military government's bureaucratic machinery--the most bureaucratic of all bureaucracies--it is natural for the lower organs under pressure from the different levels of higher organs to supply their superiors with falsified statistics. Government figures say there are 300 million baskets [1 basket equals about 46 pounds] of reserve paddy in hand. The so-called prime minister also said in his report to the Assembly last March that paddy production this year was 3 percent above last year.

However, it is common knowledge that the figures released by the military government are always inflated and that the paddy in the government's hands is more for sale abroad than to be given to the people. Hence, the spiralling rice prices today. One thing is clear at this point: the paddy bought by the military government is not for the people. According to reports presented at their showcase assembly, they were able to buy 2,063,790,000 baskets of paddy in 1981. Based on a general calculation of 75 baskets of paddy to 1 ton of rice, that amount comes to about 2.8 million tons of rice. On this amount, only 1.6 million tons of rice were sold to the people. In other words, the military government sells to the people only a little over half of what it buys.

The military clique buys whatever paddy it can lay its hands on from all the peasants and leaves the latter with meager supplies of paddy for seed grain and consumption, and then sells only about half of what it has bought to the people. From this fact it can easily be deduced who are the real culprits behind the rice shortage in the country.

Moreover, the area where the most rice lootings and shortages are reported today is the delta region which produces over 28.7 percent of all the rice in the country. The military government buys 33 percent of all its rice target from that region--the Irrawaddy Division--but only sells back 3 percent of the total to that region because it is supposedly a rice-producing area. When faced with a situation where one cannot even eat the rice one produces--or starving for a plum while sitting under a plum tree--looting rice and paddy comes as no surprise.

Today, the military government faces a heavy debt burden because of the declining economy. Because of such a situation and because of its innate character of opposing the people and being frightened of the masses, it may possibly resort to measures which no ordinary people would take. It may come up with a diversionary tactic. Since the people understand the nature of the military government, it is necessary for them to be vigilant while stepping up their struggle in unity.

BRIEFS

PRC RAILWAY DELEGATION ARRIVES--PRC Minister of Railways Mr Chen Puru and a delegation flew in to Rangoon this afternoon. The PRC Railways minister and his delegation were received at Rangoon airport by Construction Minister U Hla Tun, Deputy Minister [for Construction] U Kyin Hlaing, Managing Director of the Construction Corporation U Khin Maung Maung, engineering directors, PRC Charge d'Affaires ad Interim Chen Duan, and responsible officials. [Text] Rangoon Domestic Service in Burmese 1330 GMT 29 Nov 84]

FRG ECONOMICS DELEGATION ARRIVES--Dr (von Vossen), FRG deputy minister for economics, and a delegation arrived in Rangoon by air today. They were welcomed at the airport by Minister for Industry II U Maung Cho, Deputy Minister for Planning and Finance Dr Maung Shein, Deputy Minister for Industry II U Kyaw Za, responsible officials, FRG Ambassador to Burma Dr Helmut Turk, and staff members of the FRG Embassy. The FRG deputy minister was accompanied by consultants from the Ministry of Economics. In the evening, Minister U Maung Cho feted the guests. [Summary] [Rangoon Domestic Service in Burmese 1330 GMT 29 Nov 84 BK]

CSO: 4211/11

TRADE RELATIONS WITH AUSTRIA VIEWED

Jakarta BUSINESS NEWS in English 2 Nov 84 p 7

[Text]

Diplomatic relations between Indonesia and Austria have been established for a long time under the ambassadorial level, but no special trade agreement between the two countries has been signed so far. Trade activities between the two countries have been running for 30 years.

In the Far East, Indonesia is the second Austrian trade partner after Japan. Indonesia's exports to Austria, which mainly consist of non-oil/gas commodities, have stood at a maximum of only US\$ 1.8 million/year in the past ten years. Indonesia's imports from Austria have continued to expand, reaching around US\$ 97.5 million last year from only US\$ 4.9 million in 1974.

Trade activities between Indonesia and Austria have shown surpluses for the latter in the past ten years. The balance of trade between the two countries from 1974 to 1983 is as follows:

Year	Indonesia's exports		Indonesia's imports		Balance for Ind. (US\$)
	Volume (Ton)	FOB Value (US\$)	Volume (ton)	CIF Value (US\$)	
1974	46.3	71,530	7,285.0	4,945,000	-4,873,470
1975	13.1	101,680	3,368.0	5,057,800	-4,956,120
1976	8,926.5	702,831	2,453.4	4,720,059	-4,017,228
1977	3,171.5	293,518	4,459.2	8,650,824	-8,317,306
1978	165.7	23,429	6,144.4	10,964,183	-10,940,754
1979	69.8	467,801	4,817.8	9,504,182	- 9,306,381
1980	601.4	209,794	11,997.7	13,960,230	-13,750,436
1981	2,167.1	830,619	8,305.9	19,679,019	-18,848,400
1982	441.7	1,434,870	18,594.1	78,876,873	-77,442,003
1983	412.5	1,890,498	20,577.1	97,467,998	-95,557,500

Source: BPS (Central Bureau of Statistics).

Indonesia's exports to Austria mainly consist of traditional commodities, such as natural rubber, plywood and other processed timber, and several industrial products, including textile/garments, steel products and handicraft products. A lot of other Indonesian products are much demanded in Austria, such as coffee, tea, cacao, black/white pepper, cinnamon and essential oils.

INDONESIA

REPORT ON TRADE RELATIONS WITH ITALY

Jakarta BUSINESS NEWS in English 9 Nov 84 p 7

[Text]

Trade activities between Indonesia and Italy showed surpluses for Indonesia for several years, but the surplus shifted to the Italian side in 1983, the Rirector of the Italian Foreign Trade Agency, Dr. Giesoppe Ratti, told newsmen here recently.

Giesoppe Ratti, who was visiting Indonesia to head an Italian trade delegation, said further that Indonesia's exports to and imports from Italy last year stood at US \$ 19.5 million and US\$ 124.7 million respectively.

The balance of trade between Indonesia and Italy was in favour of Indonesia from 1976 to 1982. But last year, the trade balance showed a deficit for Indonesia. The balance of trade between the two countries in the past ten years is as follows :

Year	Indonesia's exports		Indonesia's imports		Balance For Ind. (US\$)
	Volume (Ton)	FOB Value (US\$)	Volume (Ton)	CIF Value (US\$)	
1974	208,451.4	22,374,110	42,468.0	51,204,000	- 28,829,890
1975	177,558.3	23,513,257	81,538.0	75,533,000	- 52,019,743
1976	414,757.8	73,419,062	41,039.9	68,887,441	+ 4,531,621
1977	257,851.7	109,368,379	20,593.1	51,513,749	+ 57,854,630
1978	299,858.8	125,832,073	24,538.8	58,646,314	+ 67,185,759
1979	415,771.5	209,943,145	36,292.9	67,108,908	+142,834,237
1980	473,126.7	254,414,692	27,511.3	75,882,317	+178,532,375
1981	417,059.5	167,600,612	74,093.7	95,655,584	+ 71,945,028
1982	329,805.8	141,493,058	71,996.7	104,418,584	+ 37,074,474
1983	238,273.4	119,472,281	46,877.5	124,704,411	- 5,232,130

Source : BPS (Central Bureau of Statistics)

Indonesia's exports to Italy consist of, among others, sawn timber, plywood and other processed timber, coffee, tea, cacao, rubber, textile and garments.

The supply of goods from Italy to Indonesia comprises: machinery and technical instruments, automobiles (CKD), pharmaceutical products, plastic materials, pulp and paper, wine, liquor, milk and milk products.

CSO: 4200/245

TRADE RELATIONS WITH HUNGARY VIEWED

Jakarta BUSINESS NEWS in English 16 Nov 84 p 7

[Text]

The President of the People's Republic of Hungary, Pal Losonci, arrived here on November 13 to start his official visit to Indonesia together with a strong trade delegation.

The Hungarian trade delegation has made the visit to Indonesia as the follow up of talks on the promotion of trade relations between Hungary and Indonesia in Budapest recently, when Indonesian Minister of Ekuin (Economic, Financial & Industrial Affairs) Ali Wardhana visited Hungary.

Diplomatic relations between Indonesia and Hungary started in 1959 based on the ambassadorial level. The Indonesian ambassador to Hungary and the Hungarian ambassador to Indonesia are respectively posted in Budapest and Jakarta. No bilateral trade agreement between the two countries has been signed.

Hungary is a member of the Warsaw Pact and Comecon, an economic group of the socialist countries. But like Indonesia, Hungary is also a member of various international bodies, such as the United Nations, ILO, FAO, GATT, ICAO, IMF, Unesco, WHO and the World Bank.

The volume and value of trade between Hungary and Indonesia has so far been still small. In the past ten years, trade between the two countries has reached a maximum of only 13,000 tons worth US\$ 29 million. In the past several years, the bilateral trade has dropped to only 10,000 tons worth US\$ 10 million/year.

The balance of trade between Indonesia and Hungary in the past ten years is as follows :

YEAR	INDONESIA'S EXPORTS		INDONESIA'S IMPORTS		BALANCE FOR IND. (US\$)
	VOLUME (M.TON)	FOB VALUE (US\$)	VOLUME (M.TON)	CIF VALUE (US\$)	
1974	15.3	13,200	2,533.0	1,416,000	- 1,402,800
1975	2,510.4	662,000	508.0	1,954,000	- 1,292,000
1976	2,356.6	325,322	855.9	2,617,806	- 2,292,484
1977	365.1	1,027,165	536.4	2,929,769	- 1,902,604
1978	3,259.5	8,892,839	1,296.2	2,503,663	+ 6,389,176
1979	3,109.0	4,167,966	1,727.7	3,246,596	+ 921,320
1980	7,939.2	16,501,287	4,748.7	4,161,119	+12,340,168
1981	4,574.5	6,069,546	4,327.5	6,014,180	+ 55,366
1982	1,581.1	1,493,095	1,367.9	4,225,258	- 2,732,163
1983	4,700.0	4,783,656	6,186.1	4,434,651	+ 349,005

Source: BSP (Central Bureau of Statistics)

Indonesia's exports to Hungary have so far been consisted of mainly Robusta coffee, processed timber, black/white pepper, cinnamon, animal hides, natural rubber and handicraft products. Hungary's imports of natural rubber from Indonesia have been declining in the past several years.

Hungary's exports to Indonesia have so far comprised: pharmaceutical products, electric appliances, machinery and other industrial products. There are still many other commodities that can be exported to or imported from Hungary.

TRADE RELATIONS WITH NORTH KOREA VIEWED

Jakarta BUSINESS NEWS in English 16 Nov 84 pp 4, 8

[Text]

North Korea will buy 30,000 tons of natural rubber from Indonesia. It is mentioned in Agreed Minutes signed here on November 12, 1984, by the Executive Director of Gapkindo (Indonesian Association of Rubber Producers), Harry Tanugraha, and the Chairman of the North Korea Committee for International Trade Promotion, Pae Gyong Rak.

The Agreed Minutes mention the need to step up and expand trade relations between the two countries. For the purpose, Gapkindo has asked North Korea to import 30,000 tons of natural rubber from Indonesia in 1985 and North Korea has accepted the Indonesian proposal. Both sides agreed that the supply of rubber is based on requirements and conditions determined in a contract to be signed by organisations that represent the two countries.

Pae Gyong Rak, who arrived here as a member of the visiting North Korea trade mission led by North Korean Minister of Foreign Trade Choi Jong Gun, called Indonesian Minister of Trade Rachmat Saleh SE together with all members of the mission recently. He told the press the preparedness of his side to increase the volume of trade with Indonesia.

Rachmat Saleh disclosed after receiving the guests that the balance of trade between Indonesia and North Korea had so far shown surpluses for the latter. The largest Indonesia's imports from that socialist country consist of rice.

Indonesia's rice imports from North Korea were worth US\$ 15.6 million in 1977, US\$ 38.7 million in 1978, US\$ 14.7 mil-

lion in 1979, and US\$ 26.7 million in 1980; whereas Indonesia's overall imports from that country stood at US\$ 18.7 million in 1977, US\$ 46 million in 1978, US\$ 21.6 million in 1979 and US\$ 37 million in 1980.

Indonesia imported rice worth US\$ 10.3 million from North Korea in the first semester of this year, after stopping the import of this food-stuff from that Far-East country in 1981, 1982 and 1983. Indonesia's total imports from that state in the first semester of this year amounted to US\$ 15.8 million. Other products exported by North Korea to Indonesia consist of textile, steel plate and fertilizer.

The value of Indonesia's exports to North Korea is still small, and the highest record so far was reached in the first semester of this year, when the export value stood at US\$ 5.8 million, of which US\$ 5.5 million was derived from coffee exports.

Other Indonesian commodities supplied to North Korea include: cinnamon, cacao & coal. North Korea is likely interested in importing other commodities, such as rubber, textile, plywood and tea, from Indonesia, according to Minister Rachmat Saleh.

CSO: 4200/246

DEVELOPMENT OF PLANTATION SECTOR IN NORTH SUMATRA

Jakarta BUSINESS NEWS in English 12 Oct 84 pp 9, 10

[Text]

Plantations available in North Sumatra in 1983 comprised around 505,331.55 ha of smallholders' plantations, 347,655.35 ha of state-owned plantations and 217,974.94 ha of plantations belonging to private companies. Thus around 47.18 percent of plantations found in the province last year belonged to smallholders, 32.46% belonged to state-run companies and 20.35% were owned by private companies.

Smallholders' plantations in the province have since 1974 continued to expand, covering 505,331.66 ha in 1983 as against only 363,494.5 ha in 1974, expanding by an average of 3.72% a year in the past ten years.

Plantations belonging to state-run companies in North Sumatra have expanded by an average of 5.7% in the past ten years, from 213,366 ha in 1974 to 347,655.35 ha last year. Plantations managed by private companies in the province expanded from 270,007 ha in 1974 to 420,869 ha in 1978, but drastically narrowed to only 198,265 ha in 1979 and expanded again by an average of 2.39% a year till 1983.

As a whole, plantations available in North Sumatra expanded by an average of 4.13% a year, from 910,719.96 ha in 1979 to 1,070,961.95 ha last year. Those plantations exclude 21,612 ha handled under the PIR (nucleus estate for smallholders) program in 1983.

PIRBUN plantations covering 21,612 ha available in the province last year comprised 7,018 ha of rubber plantations and 14,594 ha of oil palm plantations.

The development of the plantation subsector in North Sumatra in Pelita III (1978/79 - 1983/84) is as follows:

Rubber : Rubber plantations available in North Sumatra at the end of Pelita III (1983/84) covered 530,610 ha, composed of smallholders' plantations 292,116 ha, state-owned plantations 95,723 ha and plantations belonging to private companies 143,771 ha.

The production of rubber in 1983 stood at 123,713 tons from smallholders' plantations, 116,504 tons from state-owned plantations and 102,105 tons from plantations managed by private companies. The increase in the rubber production in Pelita III reached an average of 3.8% a year for smallholders' plantations, 5.42% a year for state-owned plantations and 3.42% a year for private plantations.

Oil palm : Oil palm plantations found in North Sumatra last year covered 318,894 ha, consisting of 20,813 ha of smallholders' plantations (including 14,594 ha handled under the PIR pattern), 228,006 ha of state-owned plantations and 69,643 ha of private plantations.

Coconut : Coconut plantations located in North Sumatra at the end of Pelita III covered 125,432 ha, composed of 119,401 ha of smallholders' plantations and 6,031 ha of private plantations. The expansion of the plantations in Pelita III reached an average of 6% a year for smallholders' plantations and 3% a year for private plantations.

Coffee : Around 41,258 ha of coffee plantations found in North Sumatra at the end of Pelita III consisted of smallholders' plantations, state-owned plantations and private plantations.

Kemenyan (incense derived from benzoin) : Kemenyan plantations in North Sumatra, which covered around 22,993 ha in 1983, belong to smallholders only. The expansion of Kemenyan plantations in the province in Pelita III reached an average of 5.84% a year. The productivity of keme

nyan plantations, which stood at 375 kg/ha in 1981, rose by an average of 7.10% a year.

Clove : Clove plantations in North Sumatra covered 21,838 ha in 1983, comprising 21,682 ha belonging to smallholders and 156 ha managed by private companies. The production of clove in the province, which stood at 1,818 tons in 1982, expanded by an average of 10% a year in Pelita III.

Cacao : Cacao plantations available in North Sumatra covered 11,188 ha last year, comprising 1,374 ha belonging to smallholders, 8,640 ha managed by state-run companies and 1,174 ha owned by private companies. The production of cacao in the province in 1982 stood at 1.8 tons from smallholders' plantations, 3,155 tons from state-owned plantations and 737 tons from private plantations. The productivity of cacao plantations in 1982 was 348 kg/ha for smallholders' plantations, 758 kg/ha for state-owned plantations and 1,400 kg/ha for private plantations.

Tea : All tea plantations found in North Sumatra belongs to state-owned plantations. Tea plantations in that province covered 11,613 ha last year. The production of tea in the province, which stood at 21,000 tons in 1982, rose by an average 6.89% a year in Pelita III. The productivity of tea plantations last year reached around 2,775 kg/ha.

Cinnamon : Cinnamon plantations found in North Sumatra consist of only smallholders' plantations. Cinnamon plantations found in the province last year covered around 7,065 ha. The production of cinnamon in the province, which reached 1,072 tons in 1981, grew by an average of 17% a year in Pelita III.

Sugarcane : Sugarcane plantations available in North Sumatra covered 6,334 ha last year, consisting of 1,024 ha of smallholders' plantations and 5,310 ha of

state-owned plantations. The production of sugarcane in the province in 1982 stood at 549 tons from smallholders' plantations and 40,333 tons from state-owned plantations.

Tobacco : Tobacco plantations in that province covered 3,859 ha last year, composed of 519 ha belonging to smallholders and 3,340 ha managed by state-run companies. The production of tobacco in the province in 1982 reached 201 tons from smallholders' plantations and 2,417 tons from state-owned plantations.

Patchouli : All patchouli plantations available in North Sumatra belong to smallholders. Patchouli plantations found in the province covered around 1,774 ha last year. The productivity of those plantations was 143 kg/ha in 1982.

Other commodities : Nutmeg, pepper, candlenut and kapok plantations are also found in that province, covering around 1,000 ha for each of those commodities.

WAYS TO PROMOTE USE OF DOMESTIC PRODUCTS DISCUSSED

Jakarta BUSINESS NEWS in English 14 Nov 84 pp 3, 4

[Editorial: "The Use of Domestic Products"]

[Text]

The policy that is supposed to promote the use of domestic products can be justified on the basis of various reasons, among others:

1. the creation of employment;
2. the saving of foreign exchange;
3. the improvement of the economic structure;
4. the acceleration of growth because the growth in the sector of manufacturing is generally higher than that in the sector of agriculture;
5. the enhancement of national resilience, especially for the production of goods that are important from the viewpoint of defence strategy etc.

In view of this argument, the presence of a junior minister with the specific task of promoting the use of domestic products is thus fairly strongly founded. One should avoid reversing the argument in the sense that the presence of this junior minister should be "justified" in such a way that the promotion is carried out in excess.

As is the case with all ideal things in this world, we usually have to make sacrifices in order to achieve & possess them. The Javanese say: "Jer basuki mawa bea", which more or less means that sacrifices are demanded to achieve prosperity. The important factor is that the fruit to be gained should be commensurate with the sacrifices.

The use of domestic products that is far less than it should be has been caused by several factors. The first is the fact that the public are unaware of the presence of certain domestic products in adequate quantities and of good quality. It is not only the lay public that have no such knowledge, but frequently even also state enterprises. One state company sometimes does not realise that another state corporation has produced certain goods. Secondly, the quality of domestic products is frequently inferior and/or unstable. The public have a lot of experience with regard to this, particularly in the pre-1966 period when industries face a shortage of materials and up-to-date machines. But this no longer applies to various kinds of goods: the machines as well as materials used for different sorts of goods are similar to those abroad, and some products are even manufactured under licence. Thirdly, Indonesia along with most other countries suffer from snobism. It means that many people are very fond of using import goods or those with certain brands, though their quality is not always higher than the others. Not infrequently, producers manufacturing some products under licence are even reluctant to reveal that the goods are domestically made.

Among the three factors, it is worthy of giving full and all-out assistance in the case of information on the local production capacity to manufacture various goods of high quality. Here seems to lie the strongest justification for the existence of the post of junior minister in the current cabinet. In the second case the presence of tolerance and leniency to a certain extent is justifiable, as reflected in protection in the form of high tariffs etc. But such protection should be allowed within limited periods, in line with the argument on the infant industry. Without time limits we will only induce inefficiency, and for such a condition the presence of a junior minister is unnecessary.

Snobism can be eliminated by arousing pride in society of the domestic production capability. Here the junior minister can make and has made very valuable contributions. This efforts can also be supported by other measures based on the reason that whoever wants to become exclusive must pay a high price. It means that import goods that especially rely on brands are subject to very high tariffs. But on the other hand this may just stimulate smuggling. Hence control over smuggling must be stepped up and the personnel in this field be purged of corrupt elements.

The essence of the above view is that the question of the use of domestic products should be handled in a rational and selective manner. We should avoid emotional handling of this problem that can lead to a complete ban on the import of certain goods, which basically implies the granting of a monopolistic position to the existing companies. In fact, among the companies enjoying such a privilege there may also be some inefficient ones, operating at a loss.

1964.

INCREASE IN TAX REVENUE HELD IMPERATIVE

Jakarta BUSINESS NEWS in English 9 Nov 84 p 9

[Text]

Indonesia's tax revenue in 1982/83 was around 4% of the Gross Domestic Product (GDP). Around 70% of domestic revenue in Pelita III was derived from oil and natural gas and in Pelita IV about 60% of revenue is expected from the oil and gas sector.

Therefore, the enhancement of tax revenue to support the state budget is imperative, Drs. Sikuan Sutanto from the Directorate General for Taxation said at a seminar on tax planning here recently.

Taking place here on November 6 and 7, the seminar was organized by Touche Ross Darmawan & Co in cooperation with Times Conferences and attended by around 90 participants representing joint venture and national private companies.

Those speaking at the seminars were Director of Indirect Tax Djafar Mahfud, AJL Loing, Prof. Dr. H. Rochmat Soemitro of the Pajajaran University, Terence J. Shanahan of the Touche Ross International Adelaide, Stephen Leong of the Touche Ross International - Singapore and Robert N. Hornich of New York.

The main differences between the old and the new taxation systems are the implementation of the self assessment system and simplicity in the new system. In addition, the new taxation system gives legal assurance, according to Sutanto. He admitted, however, that weaknesses were still found in the new tax laws and this had aroused differences in views.

Based on the new tax laws, tax facilities are no longer given to investors after December 31, 1983. But investors obtaining approval on or before December 1983 still enjoy tax facilities up to the expiry of the facilities. The 1944 sales tax and 1925 corporate tax are still effective for investors given approval on or before December 31, 1983. Such an exception is also effective for oil/gas and other mining companies involved in working contracts and profit sharing contracts that were still effective after December 31, 1983.

Expatriates and non-Indonesian companies are obliged to pay tax only for their income in Indonesia and the rate of the tax is 20% (or 10% to 15% for those from countries already signing double taxation agreements with Indonesia).

CSO: 4200/245

SOLUTION TO GROWING UNSPENT DEVELOPMENT BUDGET URGED

Jakarta BUSINESS NEWS in English 12 Oct 84 p 2

[Editorial: "The Impact of the State Budget on the Economy"]

[Text]

In his written address at the opening of the fourth batch upgrading course on technical guidance for West Nusatenggara development project implementation/management on Tuesday, Minister of Finance RADIUS Prawiro among others disclosed that during the period of Pelita III, the remaining amount of the development budget (SIAP) shows a tendency to increase. In the first fiscal year (1979/80) SIAP reached 33%, in the second year it dropped to 27%, but in the third and following years it kept on rising rapidly. SIAP in fiscal 1981/82 for instance, was registered at 39%, in 1982/83 it rose to 42% and in 1983/84 to 49%.

The increasing SIAP was attributed by the Minister of Finance among others to slow implementation of projects. This in turn has caused dull marketing of domestic products such as cement, asbestos cement boards and concrete iron. The minister pointed out that if the realisation of the development budget can be accelerated, the marketing of various domestic products will also become smoother. Let alone the fact that all development projects are obligated to use local products.

One of the most important reasons for the slow project implementation, according to the minister, was the problem of land, the clearing of which was frequently hampered. This has often been caused by complicated procedures, ownership of land by different parties, soaring prices, etc.

We can imagine that SIAP reaching to the extent of 49% has in fact made the development budget unreal. The impact of the state budget on the economy can no longer be concluded from budget allocation figures, but instead it should be linked

with budget realisation figures. The process of budget compilation, which should become a very important element in the institute of control and in the democratic process, has thus lost the greater part of its vital significance.

Bank Indonesia's report also indicates that the item of "Net Claims on Central Government" for 1983/84 caused a monetary contraction worth Rp 1,836 billion. For the period of April through August 1984/85 the contraction resulting from the state budget realisation even registered Rp 1,563 billion, while in fact it only involved a five-month term, and was also provisional. The monetary contraction to be induced by the state budget realisation for the entire period of 1984/85 will predictably be even greater if the situation remains unchanged.

In view of the difficulties in land clearing for the various government projects as stated by the minister, it will be most important to strive for improvements in procedural and administrative handling as well as in the determination of reasonable compensations. We can imagine that with the rapidly rising price of land the cost needed will increase considerably with any delay in project realisation. Instead of wasting time for bargaining compensations fixed on the basis of completely unrealistic figures, it will be wiser and eventually more economical, if the government offers reasonable compensations right from the beginning. A very important aspect in this case is also that such a reasonable offer of compensations will prompt a higher degree of goodwill among the public, whatever the projects may be. It seems that a project will predictably be facing many problems and difficulties if there is something wrong at the start in the sense that the compensations for land offered to its inhabitants are far smaller than the proper price.

Now a factor that creates complication is the urge in society to speculate in the US dollar, so that the monetary authorities are worried about the possibility of funds being used for speculation if the monetary condition is too relaxed. Without the government's deliberate intention to pile up surpluses in the realisation of the development budget and the state budget in general, at least the monetary contraction caused by the sector of expenditure is convenient for monetary management.

But on the other hand, the impact on the business sector and the economy in general is very grave. Especially if we take note of the necessity to create as wide job opportunities as possible for the ever increasing work force, the price to curb the speculation will be very high if the economy comes to a standstill.

With this in mind, it is therefore most important for the government to seek a solution to the ever swelling SIAP. Various official statements have been made that the procedures in different fields will be simplified and smoothened. One of the yardsticks for this is that SIAP will be reduced.

CSO: 4200/244

INTELLIGENCE CHIEF ON THREATS FROM EXTREMISTS

BK221445 Singapore Domestic Service in English 1300 GMT 21 Nov 84

[Text] The chief of Indonesia's intelligence services, General Yoga Sugama, has warned the nation that extremists from both the right and left threaten the country's internal security. He said that they have resorted to acts of terrorism to create panic and to erode the people's confidence in the government. These activities have presented a considerable challenge to government's development efforts.

Gen Sugama, who heads the intelligence coordinating agency, was addressing a parliamentary commission on defense and security. Recent security disturbances in Indonesia include a riot in September which officially left 18 people dead, four bomb explosions in October, and a spate of unexplained fires. Anonymous telephone threats have caused growing anxiety among the population.

The attorney general office says the trial for those involved in the riot will begin next month, but the number and identity of those to be tried have not been revealed. Gen Sugama told Parliament on Monday that rightwing extremist groups in Indonesia were influenced by the development in the Middle East, while leftwing extremists took their cue from events in Southeast Asia. He identified four extremist groupings. These were the communists, those who dissatisfied with government's policies, (?rightwing) extremists, and liberals who use human rights issues as a pretext for their activities.

CSO: 4200/207

FRETILIN SEEKS MULTIPARTY SYSTEM

LD270955 Lisbon Domestic Service in Portuguese 0001 GMT 27 Nov 84

[Text] FRETILIN [Revolutionary Front for an Independent East Timor] wants to change its strategy and political outlook. Abilio Araujo, FRETILIN's representative abroad, has told the NOTICIAS De Portugal news agency that the movement is now proposing for East Timor a multiparty parliamentary system with room for forces other than FRETILIN. Talks are already under way with the UDT [Timor Democratic Union] and with independents with a view to forming a platform of nationalists capable of supporting the East Timor resistance through concrete initiatives on the international arena.

Abilio Araujo believes that this proposal gives a new credibility to the struggle of the East Timorese for self-determination and serves as a guarantee that the interests of the countries of the region will not be affected.

Meanwhile, the FRETILIN representative at the United Nations, has described it as unacceptable that Portugal should be negotiating with Indonesia on East Timor without informing the Portuguese-speaking countries. Ramos Horta, who has come to Lisbon to map out a media strategy to air the problem of East Timor in the coming election campaigns, said that he is in no doubt as to the Portuguese Government's intentions for the resolution of the East Timor question. As he put it: If Indonesia will allow the existence in East Timor of a few Portuguese language schools and a consulate in Dili then, as far as the Portuguese government is concerned, that will mean that the territory enjoys self-determination.

CSO: 3442/77

CHAMBER OF COMMERCE TO PROMOTE COOPERATION WITH MIDDLE EAST

Jakarta BUSINESS NEWS in English 7 Nov 84 p 5

[Text]

The Middle East Committee of Kadin (Indonesian Chamber of Commerce & Industry) will send a 20-member delegation, headed by H.E. Kowara, to the IXth Executive Committee Meeting and Vth General Assembly of the Islamic Chamber to be held in Jeddah, Saudi Arabia from November 7 through 11.

Kowara told the press here last week end that by participating in the meeting of the Islamic Chamber, Indonesian delegates would have the opportunity to meet leading businessmen/industrialists from 44 countries grouped in the Organisation of Islamic Conference, especially in view of the fact that Indonesia was currently endeavouring to promote non-oil/gas exports.

The delegation is planning to expand bilateral cooperation with certain countries through the signing of cooperation agreements between the Kadin and the Chambers of Commerce & Industry of Egypt, Iran, Iraq, Jordan, Turkey, Syria and the United Arab Emirates. "We will make efforts to expand Indonesia's exports of non-oil/gas commodities and offer Indonesian workers to those countries," Kowara said.

The delegation will also attract the interest of those countries to invest capital in Indonesia through joint enterprises and general trade.

The Islamic Development Bank has stated that Indonesia has not utilized funds available in the bank, according to Kowara. Indonesia, as one of members of the Islamic Development Bank, has submitted contribution amounting to US\$ 50 million to the bank. Therefore, the IDB has suggested that Indonesia should proposed projects that can be financed by the bank, Kowara said.

Indonesia has so far used funds from the Islamic Development Bank through Bapindo (Indonesian Development Bank) for the financing of three projects, namely the development of livestock breeding in transmigration centres, the setting up of the Andalas cement plant and the setting up of a textile plant. Each of the three projects needs funds amounting to below US\$ 10 million from the Islamic Development Bank.

The executive secretary of the Indonesia-Middle East Liner Service (Indomels), Ishak Djanggawirana, disclosed meanwhile that the shipment of goods from Indonesia to the Middle East has continued to develop.

The volume of commodities shipped from Indonesia to that region sharply increased from 180,000 m3/ton in 1981 to 340,000 m3/ton in 1982 and rose further to 450,000 m3/tons last year and 600,000 m3/tons in the first ten months of this year, Djanggawirana disclosed.

He pointed out that 90 percent of Indonesian commodities shipped to the Middle East consisted of mainly sawn timber, plywood and tea. Malaysia has used the services of Indonesian vessels grouped in Indomels in the shipment of commodities to the Mideast countries, according to him. The sending of 55,000 tons of wheat flour from Australia to the Middle East recently was served by Indomels, he added.

TECHNOLOGY TRANSFER, INDONESIANIZATION CALLED RELUCTANT

Jakarta BUSINESS NEWS in English 7 Nov 84 pp 9, 10

[Text]

The transfer of technology and management in the process of Indonesianization still reluctantly runs. Decision making in a joint venture company much depends upon the value of shares. Majority shares determines those having the right to occupy the positions below the post of director, for instance the post of manager. Such a procedure has been applied not only in many joint enterprises between national private companies and foreign partners (mainly Japan), but also in joint ventures that involve the Indonesian Government.

A former director general that used to deal with the industrial sector has said that Indonesian businessmen taking part in joint ventures with foreign partners should struggle for the right of the Indonesian side to participate in making decisions. Thus every decision should not be made merely based on the percentage of shares or votes given by directors.

Such a system has likely been successfully applied in several joint ventures of national private companies with foreign partners. Though the shares of the foreign partners are far bigger, a national company can occupy a post in the board of directors and a post of president director, and it even has the right to veto.

The foreign side cannot bother or protest the policies of the Indonesian partner. Apart from that, the company concerned does not necessarily pay royalty for foreign trade marks it use for its products, as far as the shares of the foreign side are still over 20 percent.

The company mentioned above is PT. Vitafoam, which consist three companies from Japan, West Germany and Indonesia. But the management of the joint enterprise is entirely in the hand of the Indonesian side.

All posts of manager in PT National Gobel are also occupied by the Indonesian side, though the majority shares are in the hand of the foreign partner. Other joint venture companies should follow the step of PT Vitafoam and PT National Gobel in the transfer of technology and management. Indonesian partners in PT Yamaha Indonesia and PT Adiasa Ai Ai Shi also have the right to veto in decision making, though the shares of the Indonesian side in the two joint enterprises are as big as the shares of the foreign side.

A joint venture company involving India, Switzerland and Panama that operates in the spinning industry has implemented Indonesianization entirely in the management and employment. All managers of the spinning factory, which was set up in 1979, consist of Indonesians. Only several expatriates are found in the company, representing foreign share holders. The company employed many expatriates when it was set up in 1979.

Another report said that the Kartika Plaza hotel has since 1980 managed by Indonesian managers and they have successfully increased the occupation of rooms in the hotel from 58.5 percent in 1980 to 80 percent in 1981 and 81 percent till the end of September 1984.

ECONOMIC CONSTRAINTS PREDICTED TO CONTINUE IN 1985

Jakarta BUSINESS NEWS in English 7 Nov 84 pp 3, 4

[Editorial: "The Constraints of 1985 Not To Change Yet?"]

[Text]

Dr. Anwar Nasution, lecturer of the Faculty of Economics, University of Indonesia, sees that the constraints being faced by the Indonesian economy in the fields of foreign exchange and savings will not undergo much change yet next year. The declining world demand for oil and gas energy, coupled with the voluntary OPEC production cut of 1.5 million barrels daily decided recently (in which Indonesia is required to reduce its production by 111,000 barrels daily for two months), will not only lower our export receipts but at the same time adversely affect domestic revenues. Because two thirds of the state income is derived from this sector.

The smaller state income will in turn affect our national savings. Investment or development financing will also be harmed. Hence, in his view the prospect of 1985 arouses sufficient concern for Indonesia. The economic prospect is influenced by the interaction of international economic developments. Not speaking of natural circumstances, whether or not there will be floods, pests or long dry spells and so on. How about the government reaction to such external developments?

Foreign investments have greatly declined. They choose places & countries considered safer and smoother. Even with the strengthening dollar, a lot of domestic

capital can be drawn out, converted into foreign currencies with strong values to earn interest or be invested abroad. Rupee depreciation indeed favours exports, but import goods become more expensive.

In spite of the economic expansion in industrialised countries now underway, the world demand for oil and gas will not increase, whereas oil remains our economic muscle. At present major oil consumers, the US and Japan, buy increasing quantities of oil from the spot market, which is US\$ 2 cheaper than the official OPEC price.

Meanwhile the economic ties between Japan and PRC are getting closer. PRC is known to export a great deal more oil and gas with the same quality as our crude oil for Japan. The technique for heavy oil refining is now already advanced. This constitutes extra competition against our oil, because the price of heavy oil is now lower. Saudi Arabia, the biggest oil producer, turns out large quantities of such heavy oil. The world picture also indicates other constraints that are less favourable for our economy, such as protection in the advanced countries, because they are facing recession & a high extent of unemployment. This US has also shown a "rigid" attitude in this case.

The strengthening dollar value and the high price level have led to a very slow increase in world production as well. Our exports of non-oil/gas commodities also have their shortcomings at home. Dr. Anwar Nasution among others has mentioned the inferior quality, the expensive cost price and the failure to keep schedules of delivery, as problems that are apparently still difficult to surmount. It is therefore premature to expect non-oil/gas exports to immediately compensate for the current oil/gas export setbacks. State receipts from domestic taxes are not yet able to offset the value decline in the oil corporate tax, foreign aid and loans.

Public awareness and government service to society are not yet enhanced, let alone the sluggish economic activities. The negative impact of the government's

monetary policy in the past, such as selective credit ceilings and subsidized interest rates, are felt only at present. Institutes of finance like banks and the capital market are weak. Mobilisation of private savings, improvement of economic sources on a national scale and stimulation of the growth of the business sector become serious issues. Since the constraints of national savings and foreign exchange reserves show an unfavourable prospect, Dr. Anwar Nasution sees that national investments in 1985 cannot be expected to differ much from the present level.

Economic restructuring now laying its emphasis on exports of e.g. plywood and textile is not so fruitful because only 50% of the capacity of machinery has been used. So are the main points of Dr. Anwar Nasution's lecture and dialogue with Bisnis Kontak Ukhuwah Islamiyah, a business club in the spirit of Islam based in Jakarta. It has about 100 members comprising bankers, traders and industrialists from all over Indonesia, mostly from Jakarta, who frequently gather during prayer services and have now established business connections & transactions. Among the members are H. Masagung, H. Moh. Amid (TV Grundig), H. Tanri Abeng (Multi Bintang), H. Susantio (Djitu Cigarettes), H. Firmansyah T. Wusan (Knitting), H. Fahmy Idris (HIPMI - Indonesian Junior business men's association), Arifin Sahib (Poleka Group), H. Syamsahharani (Pertamina, Berge), Firdaus (Prakortí Tato), Moh. Bambang Suyanto (Kedaung Group), Yunus Jahya (Banker).

In the meantime, the US dollar exchange rate has over the last three weeks shown a continued declining trend. Once reaching the record value of DM 3.13, the dollar fell to DM 2.94 on November 2. This is equivalent to an exchange rate drop of about Rp 60.

The basic question arising from this development is: does the phenomenon already constitute a reversal in the dollar value that has so far been rising, or is it only of a temporary nature? Obviously we will have to introduce changes in our scenario, if the dollar value decline seems to persist.

Jakarta, November 3, 1984

CSO: 4200/245

Dr William Shepard, of the Religious Studies Department at Canterbury University, recently visited Indonesia. Here he discusses the place of Islam in Indonesian society and politics.

Two weeks spent visiting two cities in a country as large and diverse as Indonesia hardly qualifies one as an expert. Nevertheless, I feel that I have learned some things worth sharing with other New Zealanders.

With a population of about 150 million people, of whom about 135 million are Muslims, Indonesia is the largest Muslim country in today's world. It is also, geographically, the nearest Muslim country, and the nearest large Third-world country, to New Zealand.

A question that I brought with me was what are the chances of a Khomeiny-style revolution in Indonesia. The answer, from almost all to whom I spoke, was virtually none.

Islam became predominant in Indonesia only about 500 years ago and has tended to be mixed with local customs and customs from the previous Hindu-Buddhist period. Traditionally many people have called themselves Muslims, but have not practiced the main pillars of Islam, such as worship five times a day.

Nor have Indonesians followed many of the practices, such as the veiling of women, associated with the stricter practice of Islam elsewhere. Also, the influence of the non-Muslim minority (mainly Christian and Balinese Hindu) is by no means negligible.

Since the nineteenth century, influences from the Arab world have led many Indonesians to call for stricter Islamic practice and the purification of this practice from local cultural accretions. Nineteenth-century resistance to Dutch colonial rule largely took Islamic form.

On the other hand, influences from the West led to the growth of a more secular nationalist move-

ment in this century and also at certain periods to a significant Communist movement.

These conflicting trends compromised during the post-World War II independence struggle with the formula known as Pancasila, the Five Principles.

The first of these may be translated as Monotheism (the others are humanitarianism, national unity, democracy, and social justice), but there is no explicit mention of Islam.

In the 1950s and early 1960s there were Islamic rebellions that might be labelled "fundamentalist," but these were relatively local and were suppressed by force. Politically, Muslim groups worked for a more explicitly Islamic State, but did not gain majority support and the main Muslim political party, Masyumi, was banned in 1960.

The Communists were eliminated as a major force in a blood bath that followed an attempted coup in 1965 (estimates run as high as half a million killed). Since then a military-dominated regime has sought to emphasise economic development and has held firmly to Pancasila.

It did not lift the ban on the Masyumi Party and has not allowed much open expression of dissent on basic ideology. Still, it has in practice given considerable support to Muslim institutions and many Muslims have been prepared to accept Pancasila as at least a partial implementation of Islam.

One person suggested that the Indonesian Government has succeeded where the Shah failed in Iran, in developing a State-trained "clergy" accepted by the people.

In the last few years the Indonesian Government appears to have been moving to develop Pancasila

from a political formula into a full-fledged and elaborated national ideology (one person used the word "totalitarian" to describe it).

All State employees and selected private-sector employees must now take an indoctrination course in Pancasila and the three officially tolerated political parties (one of which is Islamic, though without any explicit reference to Islam in its name) have had to adopt Pancasila as their principles.

The Government is moving to demand the same of other social and religious organisations and this has provoked resistance among both Muslims and Christians. It was an important factor in the riot in Jakarta in September, in which several lives were lost. (The motivation for the more recent bombings in Jakarta is less clear.)

Most of those with whom I talked felt Pancasila is acceptable as a political statement, but not as a full-fledged ideology. As one person put it, no one can be against it, but no one is willing to die for it.

No one seemed very impressed with the indoctrination course. Some expressed the view that the main Muslim organisations would formally accept it (one already has, Christians may find devices to escape it), but that resentment and resistance would continue under the surface.

In the meantime, the US dollar exchange rate has over the last three weeks shown a continued declining trend. Once reaching the record value of DM 3.13, the dollar fell to DM 2.94 on November 2. This is equivalent to an exchange rate drop of about Rp 60.

The basic question arising from this development is: does the phenomenon already constitute a reversal in the dollar value that has so far been rising, or is it only of a temporary nature? Obviously we will have to introduce changes in our scenario, if the dollar value decline seems to persist.

Jakarta, November 3, 1984

CSO: 4200/245



At least one or two felt that this Government move, along with the other social-economic problems of Indonesia, such as the obvious extremes of poverty and wealth and the evidence of corruption in high places, could lead to a serious explosion in the future.

To what extent this explosion would take Islamic form is hard to say, but evidences of Islamic interest among the young are not absent. At least occasional Islamic female attire can be seen on the city streets (and more, I am told, on university campuses).

Writings on Islamic "fundamentalists" from other parts of the Islamic world have been translated into Indonesian and are being read. One university lecturer insisted that many of his students are sympathetic to the Iranian revolution. Moreover, the very sensitivity of the Government to political forms of Islam is an evidence of their potential strength.

Indonesia seems an unlikely place for an Islamic revolution of the Iranian type. Islam is more likely to make its direct contribution to the substructure of social values than to the superstructure of governmental and political systems. Indeed, Indonesia could become a leading example of an alternative to the Iranian model.

However, at least some of the elements that went into the Iranian mix are present in In-

donesia today. Extremes of wealth and poverty, corruption, and a Government-sponsored ideology viewed by many as non-Islamic — these all characterised pre-revolution Iran. The most obvious missing element is an independent and organised clergy to provide revolutionary leadership.

On the other hand, the Iranian revolution, if successful in Muslim eyes, will provide a potent example and inspiration, one which Iran itself did not have. I doubt if people in Indonesia deny the possibility of Islamic revolution any more confidently than did observers of Iran in the late 60s and early 70s.

If an explosion were to take place in the near future, Islam would seem the likeliest source for its ideology. Perhaps in the longer term a variant of Marxism is a possibility. Communism has been "destroyed" more than once in Indonesia, and has come back. It is not clear that it could not do so again.

Indonesia is a large, diverse, and culturally rich country, and a considerable degree of tolerance is part of its culture. But over the course of history, as in 1965, Indonesians have shown a capacity for force and violence against perceived enemies. One may hope for a relatively calm future for Indonesia, but I would hesitate to predict it.

CAPACITY OF COUNTRY'S LUMBER INDUSTRY

Jakarta BUSINESS NEWS in English 26 Oct 84 p 6

[Text]

Indonesia, with its major timber processing industry, is expected to be able to provide sufficient supply of processed timber for consumers in the country and abroad, according to Minister of Forestry Sudjarwo.

He said further when opening an exhibition of forestry and agricultural industries here recently that around 32 million m3 of logs would be needed to support the operation of timber processing plants in the country in the five-year period of Pelita IV.

The supply of logs will come from around 64.5 million ha of forests, which will produce about 55 million m3 of logs a year, the minister disclosed.

A number of 294 units of sawmills now operating in Indonesia produce around 8.7 million m3 of sawn timber a year. Eighteen units of sawmills now still under construction will produce around 0.5 million m3.

Eighty-nine companies operating in the plywood industry produce about 4.4 million m3 of plywood a year. Thirteen-four units of plywood factories now being built will produce around 1.5 million m3 of plywood a year.

There are many other timber processing factories which produce various kinds of processed timber, such as blockboard, wood working particle board and chipmill. These factories operate with a capacity of around 1.4 million m3 a year.

ADB LOAN FOR FISHERY PROJECT

Jakarta BUSINESS NEWS in English 10 Oct 84 p 9

[Text]

An expansion of Indonesia's marine fisheries will be undertaken with a \$50 million loan approved recently by the Asian Development Bank for a Fisheries Infrastructure Sector Project.

The Project will complement and support the Government's efforts in increasing fish production, improving the quality of marine fish landings and reducing operational costs by developing necessary basic infrastructure facilities.

The Project will provide design and construction of basic, non-commercial fisheries infrastructure facilities, such as wharves, harbor protection works, dredging and land reclamation, auction halls and utilities at selected fishing ports and landing centers which will stimulate the private sector to undertake commercial support, processing and marketing activities. Measures to support and strengthen Indonesia's Directorate General of Fisheries, the Project's executing agency, are also provided.

Fish landings at three new and five improved fishing ports should reach at least 88,000 mt annually at full development and 25 new or improved provincial fish landing centers should support annual landings of about 90,000 mt at full development.

The projected total landings will support the employment of about 45,000 fishermen and provide employment for an additional 50,000 shore-based workers.

Total cost of the Project is estimated at \$ 83.3 million equivalent. The Islamic Development Bank has agreed in principle to co-finance about \$ 10.7 million. The Indonesian Government is to provide \$ 22.6 million for foreign exchange and local costs.

The Bank loan, which will provide \$. 31.5 million for foreign exchange and \$. 18.5 million for local costs, is from the ADB's ordinary capital resources. It is repayable over a period of 20 years, with a grace period of six years, at an interest rate of 10.25 per cent.

CSO: 4200/244

ADB AID FOR OIL PALM PROJECT IN RIAU

Jakarta BUSINESS NEWS in English 31 Oct 84 p 8

[Text]

The Asian Development Bank recently approved a grant aid in the form of technical assistance to Indonesia for the second project of the enhancement of oil palm production under the NES scheme. Last year, the bank approved assistance for the first project.

The Indonesian Government has given high priority to that project based on the consideration that the demand for cooking oil will continue to increase in the future. The need for cooking oil and fat in the country is projected to go up from 1.5 million tons in 1982 to 2.5 million tons in 1990 and 3.5 million tons in 1995. The increasing demand for cooking oil is expected to be fulfilled by expanding oil palm plantations, as the prospect for the enhancement of coconut oil production is not bright.

The technical assistance from ADB will help Indonesia identify areas suitable for the planting of oil palm and formulate a project suitable for foreign financing.

In the first stage, the technical assistance will comprise a land survey & physical planning of areas provisionally identified as having agro climate favourable for the planting of oil palm. Those areas consist of Bangkinang Utara, Bangkinang Selatan and Kota Batak, in Riau.

ANOTHER FERTILIZER PLANT TO BE BUILT IN EAST KALIMANTAN

Jakarta BUSINESS NEWS in English 2 Nov 84 p 8

[Text]

Another fertilizer plant, Pupuk Kalimantan Timur III, will be built in the East Kalimantan province soon, following the completion of Pupuk Kalimantan Timur I and II, which were inaugurated by President Soeharto recently. The third fertilizer plant in the province is expected to be completed in 1987. This plant will operate with a production capacity of 570,000 tons of urea a year.

The two fertilizer plants just commissioned by the Head of State, Pupuk Kalimantan Timur I and II, now operate with a total production capacity of 1,140,000 tons of urea a year. The two plants also produce ammonia. Part of ammonia is used by the two plants themselves, and the rest is supplied to other industrial plants in the country. Ammonia provided by the two fertilizer plants for other industrial plants is around 330,000 tons/year.

After the completion of the third fertilizer plant, Pupuk Kalimantan Timur III, the total production capacity of the urea industry in East Kalimantan will be around 1,710,000 tons/year. With the operation of Pupuk Kalimantan Timur I & II, the national capacity of the fertilizer industry in Indonesia is presently around 3.9 million tons of urea, 1 million tons of TSP and 450,000 tons of Za a year. Minister of Industry Ir. Hartarto reported to the President when the latter commissioned the two plants Monday.

Besides supporting the development of the agricultural sector, the setting up of fertilizer plants will also boost the growth of the plastic bag industry, the adhesive industry and machinery industry, according to the minister.

Special freighters for the transport of bulk fertilizer have also been provided. A factory that produce special bags for fertilizer from Pupuk Kaltim I and II is being built in Banyuwangi, East Java. Fertilizer packing plants have also been built in Medan, Padang, Jakarta, Cilacap, Surabaya and Ujung Pandang.

Fertilizer distribution activities in Indonesia have involved around 40,000 people, according to Hartarto. A fertilizer plant in Aceh, PT Pupuk Iskandar Muda, is expected to start operation at the end of this year. The construction of the plant is handled by PT Rekayasa Industry.

CSO: 4200/245

CORN PRODUCTION, EXPORT NOTED

Jakarta BUSINESS NEWS in English 16 Nov 84 p 5

[Text]

The production of corn in Indonesia has not been able to countervail the rising demand for this grain in the country; therefore, Indonesia has to reduce corn exports to fulfil the local demand.

The productivity of corn plantations in Indonesia is around 1.4 tons/ha, still very low compared with 5.4 tons/ha in the United States, 2.5 tons/ha in Thailand & 2.4 tons/ha in Romania.

The price of corn in the local market drastically drops during the harvest season, but increases again when the harvest season has been over. The very unstable price is supposed to be the main cause of the reluctance of corn growers to enhance their corn production.

According to the projection made by the Agriculture Department, the production of corn in Indonesia will increase from 5.9 million tons in 1984 to about 6.9 million tons in 1988. The target is expected to be met by planting high-yielding/superior seeds and stepping up the eradication of plant diseases, especially for this grain plant.

Indonesia's corn production and the available corn plantations in the country from 1978 to 1983, according to data obtained from the Agriculture Department, is as follows :

Y e a r	Production (ton)	Plantations (ha)
1 9 7 8	4,029,201	3,024,611
1 9 7 9	3,605,535	2,593,621
1 9 8 0	3,990,939	2,734,940
1 9 8 1	4,509,302	2,955,039
1 9 8 2	3,234,825	2,606,296
1 9 8 3	5,094,645	3,017,746

Around 41.59 percent of corn production in Indonesia is from East Java, 24.35 percent from Central Java, 12.27 percent from South Sulawesi and 5.59 percent from East Nusatenggara.

Exporters that have served the export of corn from Indonesia consist of 13 companies in East Java, three companies in North Sumatra, five companies in Lampung and two companies each in South Sulawesi and Central Java. But only several of those companies are now still actively exporting this grain.

The government issues permits for corn exports only when the local demand for this product has been fulfilled. The volume and FOB value of corn exports in the past tens years, according to data collected by BPS (Central Bureau Statistics), is as listed below :

Year	Volume (ton)	Fob Value (US\$)
1974	196,854	19,824,049
1975	50,552	6,391,468
1976	3,513	442,156
1977	10,449	1,194,638
1978	21,076	2,397,160
1979	6,830	779,467
1980	14,890	2,076,350
1981	4,786	744,037
1982	541	111,070
1983	17,936	2,555,128

Singapore, Hongkong, Malaysia, Japan and South Korea have so far been the main destination of corn exports from Indonesia.

LNG, TIMBER, MINERALS PRODUCTION NOTED

Jakarta BUSINESS NEWS in English 16 Nov 84 p 8

[Text]

Seven companies/plants have used natural gas for their operation. These seven companies are: the PUSRI fertilizer plant, PT Pupuk Kujang, PT Krakatau Steel, PT Semen Cibinong, Indocement, the Cirebon sugar mill and a sugar mill each in Jakarta and Bogor. PUSRI and Krakatau Steel are respectively the first and second largest buyers of natural gas.

In the first seven months of this year, the seven companies bought 50,560,000 MSCF of natural gas. The supply of natural gas to the seven companies reached 105,421,000 MSCF in 1981, 100,622,000 MSCF in 1982 and 108,253,000 MSCF last year.

The Arun gas plant is the biggest producer of Liquefied Petroleum Gas (LPG) and the smallest LPG production comes from Dumai. The production of LPG in Indonesia from January to August this year reached 463,289 metric ton. From January to April this year, Balikpapan and Dumai did not produce LPG. The Arjuna and Santan gas fields did not produce LPG in July and August.

The production of LPG in Indonesia now comes from eight gas fields in Kantau, Mundu, Sungai Gerong, Ardjuna, Santan, Cilacap, Balikpapan and Dumai. Indonesia's production of LPG stood at 514,198 metric tons in 1983 and 468,508 metric tons in 1982.

The production of Liquefied Natural Gas (LNG) in Indonesia reached the highest record in last July compared with that in the previous months this year. The production of LNG from the Arun and Badak

LNG plants stood at 17,707,113 m³ or 424,169,126 10⁶ BTU in the first seven months of this year.

The volume of LNG produced by the two LNG plants reached 19,372,433 m³ in 1981, 20,165,904 m³ in 1982 21,179,944 m³ in 1983.

TIMBER AND COPPER : The sale of tin in the country showed a sharp increase in the first nine months of this year, compared with that in the previous years. The sale of this metal from January to September this year reached 922,752.2 kg worth Rp 10,261,760,920, a drastic increase as against 332,488.6 kg worth Rp 3,785,103,413 in the whole year of 1983.

The shipment of copper concentrate in the first nine months of this year reached only 140,175 tons. No shipment of this mineral product was undertaken in March and June. The production of copper concentrate since the beginning of this year has reached 159,840 tons. The shipment of copper concentrate in 1983 and 1982 respectively reached 202,823 tons & 228,799 tons.

Indonesia's exports of nickel ore, ferronickel and nickel matte in the first nine months of this year respectively reached 524,613 tons, 15,145,776 tons and 19,804 tons.

CSO: 4200/246

BRIEFS

LOG EXPORTS DROP--Indonesia's log exports are projected at around 1.5 million m² this year, declining by around 33 percent compared with those in the previous year. The permit for log exports stood at 1,055,774.35 m³ in the first semester of this year, around 70 percent of the target for 1984. The realization of log exports usually lower than the export permit because of, among other things, the lack of transport facilities. Data obtained from BPS (Central Bureau of Statistics) show Indonesia's log exports in the first semester of 1983 stood at 1,516,493 m³ below the permitted export volume of 1,596,152 m³ for that period. In the first semester of this year, the realization of log exports stood at 979,629 m³, below the permitted export volume of 1,055,744.35 m³. The special applications of log exports for Irian Jaya this year is 230,000 m³. This special allocation is given to timber processing factories that produce non-plywood products, that are now still under construction. The allocation of log exports for plywood factories now still being built has been fixed at 170,700 m³. [Text] [Jakarta BUSINESS NEWS in English 7 Nov 84 p 8]

PT PAL TO BUILD JET FOILS--Sarabaya--PT. PAL Indonesia here will in the 1985-1995 period produce 10 jetfoils in cooperation with the Boeing company of the United States the spokesman of PT. PAL Indonesia disclosed recently. Preparation for the production of the 10 jetfoils in Indonesia will be managed by PT. PAL Indonesia in stages, including studying the application of technology in the United States. By 1995, PT. PAL Indonesia is expected to have been able to manage full manufacture of jet foils. In the coming 10 years, Indonesia technicians will master advanced technology required in the production of jet foils and such other modern transport facilities. PT. PAL Indonesia, which has around 6,000 personnel, has been assigned by the government to prepare the design of ships and to build various types of vessels, such as coasters, tankers and merchant ships of 1,000 DWT, 2,000 DWT and 3,000 DWT. As part of the effort to improve the skill of Indonesian technicians/workers in the shipbuilding industry, the company is now setting up a vocational training centre for the shipbuilding industry which will accommodate 1,000 trainees a year. The training centre, which will be equipped with computer, will serve not only state-run companies, but private companies as well. [Text] [Jakarta BUSINESS NEWS in English 14 Nov 84 p 10]

SCRAPPING OF OLD SHIPS—Till 1 January 1985, the number of old vessels not allowed to operate will reach 103, with total deadweight of 108,500 Dwt. Fifty old vessels have no longer been allowed to continue their operation since 1 May 1984, and 53 more old vessels will no longer be allowed to continue their operation from 1 January 1985. The decision to ban the operation of old vessels has been made as the realization of the decision of the minister of communications for the scrapping of old vessels. As a result of the scrapping of old vessels, changes have to be made in shipping services for several routes, particularly in connection with the operation of vessels. Only seven new vessels of 21,634 Dwt have been bought to replace the scrapped old vessels so far. The procurement of new vessels in the 1980-1983 period reached 72 units of 152,542 Dwt. [Text] [Jakarta BUSINESS NEWS in English 14 Nov 84 p 6]

OIL, LNG REVENUE—Indonesia's revenue from oil and LNG exports in the first and second semester of this year respectively stood at Rp 2,505.3 billion and Rp 2,466.5 billion. In the 1983/84 fiscal year, Indonesia earned Rp 9,520.1 billion from oil and LNG exports. Indonesia's earnings from oil and LNG exports in 1982/83 and 1981/82 reached Rp 8,170.4 billion and Rp 8,627.8 billion respectively, showing an increase compared with Rp 7,019.6 billion in 1980/81 and Rp 4,259.6 billion in 1979/1980. [Text] [Jakarta BUSINESS NEWS in English 14 Nov 84 p 10]

1984 INVESTMENT TARGETS LOWERED—The projection of new investments under the PMDN (domestic investment) scheme and PMA (foreign investment) scheme approved in 1984 is lowered from Rp 7,000 billion to Rp 6,500 billion, as the world and the Indonesian economy condition has not fully recovered. PMDN and PMA investments approved in 1983 amounted to Rp 9,923.9 billion, around 20 percent of total investments approved in the previous year, or about 165 percent of the target of investments for last year which was set at Rp 6,000 billion. [Text] [Jakarta BUSINESS NEWS in English 10 Oct 84 p 8]

CSO: 4200/244

VODK ON SOVIET-VIETNAMESE RELATIONS

BK250815 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
24 Nov 84

[Station commentary: "Vietnam and the Soviet Union Will Not Easily Be Separated"]

[Text] Currently, the entire world is concerned and paying great attention to the Soviet danger in Southeast Asia and the Vietnamese war of aggression in Kampuchea, which is part of Soviet international expansionism in the region. On this issue, the world community unanimously agrees that it is necessary to force Vietnam to withdraw all its aggressor forces from Kampuchea as prescribed by the UN resolutions in order to check the danger of war spreading into the whole of Southeast Asia and to check the Soviet danger in the region.

However, there are some who have erroneous opinions not based on reality. They think that to eliminate the Soviet danger in the region, one should negotiate with Vietnam and wean it away from relying completely on the Soviet Union. This is a most dangerous view not only for the survival of the Kampuchean nation and people but also for peace, security, and stability in the region as well. Can one drag Vietnam away from the Soviet Union?

Vietnam sent hundreds of thousands of troops to commit aggression and occupy Kampuchea because it has the ambition of annexing Kampuchea and including it into the Indochinese Federation and using it as a stepping stone to commit further aggression in Southeast Asia and rule over Southeast Asia. To achieve this ambition, Vietnam has to sell itself to the Soviet Union, be willing to be Soviet slaves, and to sell out Vietnamese territory to be used as Soviet military bases in order to get Soviet assistance to wage its war of aggression in Kampuchea. Currently, Vietnam can survive and wage this war of aggression in Kampuchea because of Soviet assistance. Without this assistance, even for 1 day, Vietnam will crumble both in Kampuchea and in Vietnam itself. So, there is no way Vietnam dares to leave the Soviet Union.

As for the Soviet Union, it also has the ambition of controlling and ruling over southeast Asia, which is a strategic area with the Strait of Malacca and other deep-sea straits as links between the Pacific and Indian Oceans. To achieve this strategy, the Soviet Union needs Vietnam as its henchman and Vietnamese territory as a military base and outpost in Southeast Asia. This

is why the Soviet Union has made every effort to assist Vietnam, increasing from over \$2 million a day to over 8 million. In return, the Le Duan clique has allowed the Soviet Union to use military bases in Vietnam. Having Vietnam as a base, the Soviet Union has greatly benefitted, strategically speaking, in Southeast Asia, Asia, and the Pacific region. Its Far East military base in Vladivostok has been moved 3,500 km further south to Cam Ranh in Vietnam. With Vietnam providing bases and all kinds of facilities, Soviet warships, aircraft, and submarines can at will carry out reconnaissance activities to widen their influence and threaten various countries in the region. Therefore, the Soviet Union will not easily abandon Vietnam. Despite its own difficulties in Afghanistan and at home, the Soviet Union still strives to assist Vietnam in its war of aggression in Kampuchea so that Vietnam can annex Kampuchea, include it into the Indochinese Federation, and use this federation as a stepping stone to achieve its own international expansionist strategy in Southeast Asia, Asia, and the Pacific.

All this shows that the Soviet Union and Vietnam share the same ideology, the same ambitions, the same expansionist and aggressive strategy, and the same common interests. Therefore, these two cannot easily be separated. As the Vietnamese war of aggression in Kampuchea is the implementation of Vietnam's own regional expansionist strategy and is part of the Soviet international expansionist strategy in the region, the Soviet Union and Vietnam have been very persistent in this war of aggression in Kampuchea.

In fact, over the past 6 years, while facing increasing difficulties on the Kampuchean battlefield, a ruined economy at home, great isolation in the international arena, and world condemnation, and while the UN General Assembly has successively adopted resolutions at its past 6 sessions demanding Vietnamese troop withdrawal from Kampuchea, Vietnam still stubbornly persists in carrying on its war of aggression in Kampuchea to barbarously and savagely exterminate the Kampuchean people.

The recent Vietnamese attack against Kampuchean refugee camps along the Thai border and the intensification of bloody border clashes with the Thai army show that Vietnam refuses to abide by the UN resolutions to end its war of aggression in Kampuchea by withdrawing its aggressor forces from there. As for the Soviet Union, it continues to ignore the UN resolutions on the Kampuchean issue and continues to provide weapons and assistance in increasing quantities to Vietnam so that the latter can annex Kampuchea, set up an Indochinese federation, and use it as a stepping stone to achieve Vietnam's aggressive and expansionist strategy and the Soviets' own strategy in the region. Member of the CPSU Politburo Vladimir Dolgikh, who visited Hanoi on 18 November, reaffirmed Moscow's full support for Vietnam's policies on Kampuchea, Southeast Asia, and elsewhere.

In sum, one cannot drag Vietnam away from the Soviet Union. If one negotiates with Vietnam and provides it some assistance, one is simply providing more support to Vietnam to continue its war of aggression in Kampuchea. This is the most important objective of the Vietnamese. No matter where assistance comes from, Vietnam will divert it to sustain its war of aggression in

Kampuchea. So this is not resolving the Kampuchean issue; it is not checking the danger of war spreading into the entire region; and it is not checking the Soviet-Vietnamese aggressive and expansionist strategy. It is a danger to the survival of the Kampuchean nation and people and to peace, security, and stability in the whole of Southeast Asia as well.

This is why peace- and justice-loving countries the world over realize that they should continue to unite in pressuring Vietnam even more to compel it to withdraw all its aggressor forces from Kampuchea as prescribed by the resolutions of the past six UN General Assembly sessions, and to continue to provide assistance and support to the struggle of the Kampuchean people and the Democratic Kampuchean national army to fight even more vigorously against the Vietnamese until they are compelled to withdraw all their aggressor forces from Kampuchea in accordance with the UN resolutions. Only then can the Vietnamese-Soviet aggressive and expansionist strategy in the region be checked and can Kampuchean recover peace and security and Southeast Asia peace, security, and stability.

CSO: 4212/18

CLANDESTINE RADIOS ON BATTLEFIELD ACTIVITIES

East Battambang Villages Liberated

BK260318 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 25 Nov 84

[Text] On the night of 19 November, we attacked a Vietnamese commune office at Sdei along the Sangke River, killing one Vietnamese soldier and wounding another. We destroyed an AK, a (Mousseton) rifle, a commune office building, and some military materiel. We seized some materiel and liberated four villages: Sdei Leu, Sdei Kraom, O Andeng, and Rohal Suong.

SRV Soldiers Killed, Wounded

BK260310 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 25 Nov 84

[Text] At 2400 on 22 November, our National Army launched a 5-pronged attack against Vietnamese soldiers along the Mongkolborei River from Anlung Thngan to Bat Trang near Mongkolborei market and along Route 5 from Bat Trang to Sre Ten bridge, Mak Hoeun battlefield [Battambang Province]. The first prong attacked Anlung Thngan bridge; the second the canal; the third the (Yvon Lung Toek) bridge; the fourth the middle bridge; and the fifth the Sre Ten bridge. After a 30-minute battle, we killed 12 Vietnamese enemy soldiers and wounded 15 others for a total of 27 casualties. We destroyed 6 AK's, 1 B-40 rocket launcher, 15 barracks, 10 trenches, 1 bridge, and some military materiel. We seized 4 AK's, 1 SK rifle, 3 SKS's, 3 AR-15's, 1 M-79, 5 B-40 rockets, 35 hand grenades, and some materiel. We liberated five villages: Prek Russei, Sre Ten, Bat Trang, Bangbat, and Anlung Thngan.

Two Villages Liberated

BK241009 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 23 Nov 84

[Text] On 17 November, our guerrillas launched an attack against a Vietnamese commune office at Prei Toch. After a 10-minute battle, we completely liberated this position. We killed two Vietnamese enemy soldiers and wounded three others, and destroyed two barracks and a trench. We seized some military materiel and liberated two villages: Prei Toch and Thmei.

CSO: 4212/18

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITIES

SRV Soldiers Kill Logistics Chief

BK050736 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Dec 84

[Text] On 26 November, Vietnamese soldiers in Battambang town shot dead a Vietnamese logistics chief for not giving them enough rice to eat.

VONADK: Vietnamese Poison Water

BK050736 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Dec 84

[Text] In Chhep District of Preah Vihear Province, the Vietnamese aggressors recently dropped poison in streams and ponds which are drinking water sources of our Kampuchean people. Many inhabitants were seriously poisoned and many head of cattle were killed.

Due to their serious defeats in the military field, the Vietnamese aggressors have turned to using toxic chemicals against our people in a systematic manner in an attempt to threaten and prevent our people from rising up against them and to completely exterminate our race. On the contrary, our people have nurtured greater personal and national hatred against the Vietnamese aggressors.

SRV Division Commander Killed

BK050551 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Dec 84

[Text] A Vietnamese jeep moving from (Treng) to Phnum Dei Kram on Pailin battlefield was ambushed and set ablaze by our forces. We killed four Vietnamese, including a Vietnamese division commander, and destroyed a pistol and a C-46 radio set. The materials in the jeep were all burned.

Rice Crops Stolen in Kampot

BK040519 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Dec 84

[Text] On 21 and 22 November, the Vietnamese enemy sent 3,500 Vietnamese nationals armed with sickles and [words indistinct] to Tuk Meas market, Kompong Trach District, Kampot Province. Upon their arrival, these Vietnamese men and women ran into our people's rice fields and reaped all the rice crops.

This is the most barbarous and cruel policy of stealing our people's rice that the Vietnamese enemy aggressors have been pursuing in an attempt to starve our people to death. As in all harvest seasons, in the past, the Vietnamese enemy aggressors this year have sent their men and women to reap our people's rice and sent it to Vietnam. The Vietnamese enemy aggressors have used our people's rice for feeding their poverty-stricken people and their troops so that they can further massacre our people in accordance with the Vietnamese policy of exterminating our Kampuchean race.

Our people in Tuk Meas, Kompong Trach, and other districts throughout the country nurture great indignation against the Vietnamese enemy aggressors. Our people pledged to make every effort to protect crops from being stolen by the Vietnamese enemy aggressors, to hide harvested crops for use in feeding our own people, and to unite with the Democratic Kampuchean National Army and guerrillas in fighting and driving all the Vietnamese bandits from our country.

Tracks Destroyed

BK030715 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 2 Dec 84

[Text] On 25 November, our guerrillas destroyed the railroad tracks on MOUNG battlefield [Battambang Province] between (Ta Mam) and (Ta Ngol) bridges at 24 places with a total length of 330 meters.

SRV Soldiers Mutiny in Siem Reap

BK030705 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 2 Dec 84

[Text] On 17 November, Vietnamese soldiers posted at Kompong Kdei position, Chikreng District, Siem Reap Province, mutinied and killed a Vietnamese battalion commander on the spot. The reason was that the soldiers were angry with this brutal commander who forces them to go out to fight and die on his behalf.

Currently, Vietnamese aggressor soldiers on the Kampuchean battlefield have lost initiatives and are afraid of going out to fight. Despite the Vietnamese commanders' stringent measures, they cannot repress their subordinates who instead have revolted and produced casualties every time. This will drag the Le Duan Vietnamese clique into increasing difficulties and quicken its way toward the final defeat.

Areas 'Liberated' in Battambang

BK040405 (Clandestine) Voice of the National Army of Democratic Kampuchea
in Cambodian 2315 GMT 3 Dec 84

[Text] Our guerrillas successfully swept the Vietnamese soldiers from Banteay Thmei (O Kokul) to (Kut Ta Sot) near Kop Toch on Mak Hoeun battlefield [Battambang Province] on 29 November. We liberated a Vietnamese battalion position at Banteay Thmei (O Kokul) and two villages, namely, Phum Kop Toch and (Kut Ta Sot). We killed 17 Vietnamese soldiers and wounded 16 others for a total of 33 enemy casualties. We destroyed 50 barracks, 300 trenches, 15 sacks of rice, and some ware materiel; and seized 1 RPD and some war materiel.

CSO: 4212/21

VOOK COMMENTARY ON FAILURE OF SRV'S UN PROPOSAL

BK221604 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
21 Nov 84

[Station commentary: "The Hanoi Vietnamese Aggressors' Deceitful Proposal Was Shamefully Frustrated at the UN General Assembly"]

[Text] The representative of the Le Duan Vietnamese Enemy aggressors on 16 November asked the UN General Assembly to discuss an obsolete maneuver that was labeled a draft proposal for peace, stability, and cooperation. As soon as the Vietnamese representative ended his boasting about this deceitful draft, delegates from various countries strongly condemned and exposed this abject scheme of the Le Duan Vietnamese enemy aggressors. In general, these delegates stated: The United Nations has adopted various resolutions successively demanding that the Hanoi Vietnamese authorities withdraw all their troops unconditionally from Kampuchea in order to let the Kampuchean people decide their own destiny with no outside interference. Over 10 days ago, the United Nations adopted another resolution demanding total and unconditional withdrawal of Vietnamese troops from Kampuchea so as to let the Kampuchean people manage their own destiny with no outside interference.

This is the only correct and reasonable measure to restore peace and stability in Southeast Asia. If the Hanoi Vietnamese authorities withdraw all their troops unconditionally from Kampuchea in accordance with the UN resolutions mentioned above, peace and stability will automatically return to this region and all countries in the region will be able to cooperate harmoniously in the economic, trade, and other fields. There is no need for Vietnam to propose any deceitful way to obtain peace, stability, and cooperation. For the past almost 6 years, the Hanoi Vietnamese aggressors have kept refusing to abide by these correct and reasonable resolutions. They have refused to withdraw their troops totally and unconditionally from Kampuchea so as to let the Kampuchean people manage their own destiny. On the contrary, they have adhered to their aggressive and expansionist design by continuing to send more troops, tanks, artillery, and war materiel to Kampuchea. They have escalated the war in Kampuchea in an attempt to massacre the Kampuchean people and exterminate the Kampuchean race. They have caused provocation against and invaded Thai border areas and killed more Kampuchean refugees and Thai people. Moreover, Vietnam has stationed tens of thousands of troops in Laos and controls all affairs in Laos from the top to the lowest levels. The Vietnamese troops

in Laos have incited and joined with the Vientiane puppet troops in provoking and invading Thai territory.

With all of this, how can peace, stability, and cooperation be restored in this region? If Vietnam continues to occupy Kampuchea, control Laos, and to invade Thai border areas causing permanent and even more serious tension in this region, what is the use of talking about peace, stability, and cooperation? Obviously, Vietnam does not want peace and stability, nor does it want to coexist peacefully with neighboring countries. Its true nature is to commit aggression and expansion against others, to be father of Indochina, and to lord it over Southeast Asia. Its deceitful proposals--made repeatedly in the past and in the current proposal for peace, stability, and cooperation in Southeast Asia--are all aimed at covering up its abjectly aggressive and expansionist ambition against Kampuchea and this region. But, the Vietnamese aggressors cannot realize this criminal aim. On the contrary, their deceitful activities only enable world public opinion to see more clearly the Vietnamese aggressors' tricky and obstinate nature.

This is why during the debate on the Vietnamese proposal at the current UN General Assembly, in addition to the condemnation and exposure of this Vietnamese maneuver by a number of delegates, no one else paid any attention to the deceitful statement made by the Vietnamese representative. In the end this debate lasted only 4 hours without adopting a resolution, that is, there were only the opening and closing of the debate. This clearly attested to the very serious isolation in the international arena suffered by the Vietnamese aggressors. Moreover, it showed that the world community has not fallen for the Vietnamese enemy's deceitful maneuver. On the contrary, the world community has adhered firmly to the UN resolutions demanding that the Le Duan Vietnamese enemy aggressors withdraw their troops totally and unconditionally from Kampuchea so as to let the Kampuchean people decide their own destiny with no outside interference. This is because the world community is well aware that only by forcing Vietnam to implement fully the six UN resolutions can long-lasting peace and stability be restored in Southeast Asia.

CSO: 4212/18

REPORT ON AGRICULTURAL DEVELOPMENTS 12-18 NOV

BK190720 [Editorial Report] Kampuchean media monitored by Bangkok bureau carried the following reports on agricultural developments during the reporting period 12-18 November:

Kandal Province: Phnom Penh SPK in French at 0408 GMT on 18 November reports that so far the trade service in Leuk Dek District has bought 580 metric tons of corn from the peasants.

Kompong Cham Province: Phnom Penh SPK in English at 1103 GMT on 18 November reports that the three rubber companies in the province have produced over 37 million litres of latex and 8,700 metric tons of dry rubber in the past 2 months. In October alone the three companies extracted more than 5 million metric tons of latex and processed 1,240 metric tons of dry rubber. This marked an increase of 553 metric tons over the corresponding period last year. Phnom Penh Domestic Service in Cambodian at 1300 GMT on 15 November reports that so far, peasants in Memot District have transplanted over 9,400 hectares of rice. The radio at 1300 GMT on 16 November reports that peasants in Ponhea Krek District have transplanted over 1,600 hectares of rice.

Kompong Chhnang Province: The radio at 0430 GMT on 15 November reports that by the beginning of November, peasants in the province had transplanted 34,000 hectares of rice or over 65 percent of the plan: planted 6,100 hectares of intensive rice; grown 1,800 hectares of subsidiary and industrial crops; and reclaimed 1,800 hectares of fallow land.

Kompong Thom Province: SPK in French at 0432 GMT on 13 November reports that peasants in the province have harvested 260 hectares of subsidiary food crops and industrial crops and harvested 5,290 hectares of rice transplanted during the rainy season. The radio at 0430 GMT on 18 November cites the deputy chief of the province's economics service as saying that by the end of October, peasants had planted 95,122 hectares of all types of rice. This includes 19,892 hectares of rice planted through ordinary and advanced intensive cropping methods.

Koh Kong Province: SPK in English at 1110 GMT on 14 November reports that because of torrential rains in the last monsoon rice cropping, peasants in the province planted rice only on 7,600 hectares, representing 84 percent of the plan. The area included 3,000 hectares of dibbling rice and 4,350

hectares of transplanted rice. The radio at 0430 GMT on 16 November reports that in this rainy season, peasants in Koh Kong Province transplanted almost 7,600 hectares of all types of rice or 84 percent of the plan.

Kampot Province: SPK in English at 1110 GMT on 14 November reports that by the end of October, peasants in Kompong Trach District had harvested 2,000 hectares of IR-36 rice strain with a per-hectare output of 5 metric tons and 1,650 hectares of local varieties with an average output of 2 metric tons per hectare. This year, the district fulfilled its plan by putting 19,000 hectares under rice, including nearly 5,000 hectares of IR-36 variety. The radio at 0430 GMT on 13 November reports that since the beginning of this year, fishermen in the province have caught 8,900 metric tons of marine products. Over 4,200 metric tons of this were exported.

Prey Veng Province: SPK in French at 0407 GMT on 15 November reported that peasants in the province harvested 4,000 hectares out of the 187,160 hectares of rice planted during rainy season. They are also collecting corn on the planted 4,570 hectares. During the current dry season, peasants plan to grow 32,000 hectares of rice. The Agriculture Ministry has provided peasants in Prey Veng Province with more than 750 metric tons of chemical fertilizer. Meanwhile, peasants have collected over 35,000 metric tons of natural fertilizer for rice production this dry season. SPK in French at 0408 GMT on 18 November reports that peasants in Kompong Trabek District have harvested 1,300 hectares of rice planted during the rainy season. In this dry season, they plan to grow 2,000 hectares of rice and 4,000 hectares of subsidiary food crops. The radio at 1300 GMT on 17 November reports that despite drought, peasants in Kompong Rou District have transplanted over 8,000 hectares of rice, broadcast over 1,000 hectares of rice, and collected over 7,000 metric tons of organic fertilizer.

Pursat Province: The radio at 0430 GMT on 15 November reports that during 1983-84 rice growing season, Pursat Province sold to the state 32,442 metric tons of rice, thus overfulfilling the 24,000 metric-ton rice selling plan. The radio at 1300 GMT on 18 November reports that by the end of October, peasants in Phnum Kravanh District transplanted over 6,000 hectares of rice and planted thousands of hectares of subsidiary food crops. The radio at 0430 GMT on 16 November reports that by early November, peasants in Krakor District transplanted over 8,300 hectares of all types of rice. This included 3,000 hectares of intensive rice.

Preah Vihear Province: The radio at 1300 GMT on 16 November reports that so far, peasants in the province transplanted over 11,4000 hectares of rainy season rice.

Svay Rieng Province: The radio at 0430 GMT on 13 November reports that so far, over 6,900 hectares of various types of rice were transplanted in Svay Rieng District. Peasants in this district have also planted 150 hectares of subsidiary food crops and raised thousands of pigs and fowls.

Takeo Province: The radio at 1300 GMT on 13 November reports that by early November, peasants in the province had tilled over 3,200 hectares of land, sowed over 400 hectares of rice, and transplanted over 2,000 hectares of rice.

COMMENTARY URGES UNITY WITHIN CGDK

BK051115 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
3 Dec 84

[Station commentary: "The Solidarity of Our Tripartite CGDK Is a Big Stick Which Is Hammering the Vietnamese Enemy Aggressors Everywhere"]

[Text] Since its founding of 22 June 1982, our tripartite CGDK has united and cooperated better on the battlefield, the international scene, and in other fields. During their cooperation over the past 2 years, our tripartite CGDK forces have understood each other and have almost the same opinions. All of us realize that the Hanoi Vietnamese enemy aggressors are eliminating our nation and race.

In fact, the Vietnamese aggressor troops have massacred our people--young and old, male and female--by barbarous and criminal means. Concurrently, they have repeatedly sent their nationals to settle on our Kampuchean territory. They have stolen our resources and our fertile lands, oppressing our people and forcing them to flee their villages. Some of our people have fled the country and settled abroad. Others have fled their homes and sought refuge in jungles and mountainous areas. They have encountered difficulties unprecedented in our Kampuchean history. The criminal and barbarous acts of the Vietnamese have been aimed at exterminating our nation and race so that they can transform Kampuchea into a part of Vietnam as they did with Kampuchea Kraom [southern part of present-day Vietnam which belonged to the ancient Kingdom of Cambodia]. This is a serious threat to our Kampuchean nation and race.

Furthermore, our tripartite CGDK has clearly realized that the Hanoi Vietnamese are very stubborn and will not easily give up their aggressive and expansionist ambitions. Since the Vietnamese sent their troops to attack and occupy Kampuchea at the end of 1978, the UN General Assembly has adopted six resolutions calling on the Hanoi Vietnamese enemy aggressors to withdraw all their aggressor troops unconditionally from Kampuchea and let the Kampuchean people determine their own destiny with no outside interference. The Hanoi Vietnamese do not care about these resolutions. They have continued to savagely and barbarously implement their aggressive and expansionist strategy. Not so long after the 39th UN General Assembly session adopted a resolution calling on them to withdraw all their troops from Kampuchea, the Hanoi Vietnamese ordered their aggressor troops to violate the Thai border region and attack the Kampuchean refugee camp at Nong Chan. This has clearly shown again that the Hanoi Vietnamese aggressors do not respect international law and the UN Charter. They do not want to resolve the Kampuchean problem through political means. They have continued to stage all maneuvers--military, political, and diplomatic--to achieve their

ambitions to swallow Kampuchea and set up an Indochina Federation so as to advance their own aggressive and expansionist strategy in the region and the aggressive and expansionist global strategy of their Soviet masters.

The three parties of our CGDK have united better because we have a unanimous view and have realized the danger posed to our Kampuchean nation and race. In fact, when the Vietnamese launched their recent attack against the Kampuchean refugee camp at Nong Chan, our three parties cooperated with each other and staged a counterattack against the Vietnamese enemy aggressors so that they could not massacre our Kampuchean people as they wished. We have done this because we realize that Vietnam's attack against any party is aimed at exterminating our nation and race. Since the founding of our CGDK, the situation in our struggle has developed better. We have repeatedly scored successive victories on the military battlefield and in the international arena. Our CGDK has been assisted and supported by the entire Kampuchean people inside and outside the country. On the international scene, many countries have greater sympathy and have assisted and supported us. In fact, at this year's UN General Assembly session 110 countries supported the UN resolution calling on the Vietnamese to withdrawing all their troops unconditionally from Kampuchea. Therefore, the good cooperation of our three parties has let us to rally forces inside and outside the country. This has made our people's struggle against the Vietnamese enemy aggressors and race exterminators develop further.

The solidarity of the three parties of our CGDK is a big stick which is hammering the heads of the Le Duan Vietnamese enemy aggressors everywhere. At present, the Vietnamese enemy aggressors are encountering serious difficulties on the military battlefield, the diplomatic battlefield, and in other fields. The Vietnamese aggressors are sliding toward final defeat. Therefore, the Vietnamese enemy aggressors, the Soviets, and their accomplices have made every effort to stage successive tricky maneuvers in an attempt to divide our CGDK. At present, they have intensified their maneuvers by creating various stories not to let us unite with one another so that we cannot wage a vigorous struggle against them. They have performed these maneuvers in an attempt to divide us so that they will be able to exterminate our Kampuchean nation and race.

Although the Vietnamese, the Soviets, and their accomplices have tried many poisonous and dark tricky maneuvers against us, as long as we consider our national interests more important than anything we will certainly be able to destroy all these maneuvers. As long as we completely adhere to the Kuala Lumpur joint declaration on the formation of the CFDK and as long as we discuss all problems until we reach a consensus agreement among the three parties as we used to do in the past, we will be able to resolve all problems and unite more closely and fight the Vietnamese enemy aggressors more vigorously until they are forced to withdraw all their aggressor forces unconditionally from Kampuchea and let the Kampuchean people determine their own destiny without any external interference in conformity with the UN resolutions.

Therefore, it is necessary for our people, the National Army of Democratic Kampuchea, and our CGDK to continue to heighten vigilance against all the poisonous maneuvers of the Vietnamese enemy aggressors, the Soviets, and their accomplices. It is also necessary for us to continue to raise aloft the banner of the great national union of Kampuchea and to unite in fighting the Vietnamese enemy aggressors and race exterminators more vigorously until we achieve our sacred goal as inscribed in the declaration on the formation of the CGDK on 22 June 1982.

BRIEFS

BORDER ACTIVITIES REPORTED--Thanks to their regular ideological and political training, cadres and combatants of our armed forces have been able to clearly grasp their role and have displayed their combative spirit in fighting and crushing the enemies, thus firmly defending our border. For example, recently a group of bandits crossed into an area east of Ampil region in an attempt to rob our people living in outlying remote areas. But hardly had they carried out this activity when a group of our forces from brigade "Kor" timely intercepted them. Five bandits were killed and seven others wounded. Our forces seized three AK's and a B-40. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 4 Dec 84]

MISLED PERSONS RETURN--Victories scored by our Kampuchean Revolutionary Army along the Kampuchean-Thai border have dealt heavy blows to major maneuvers of the Pol Pot bandits and Khmer reactionaries. We have destroyed their major routes used to infiltrate into Kampuchea and have weakened their forces. State authorities and people in Siem Reap-Oddar Meanchey Province have disseminated the party's leniency policy deep into the enemies' ranks. A number of enemy soldiers have left their ranks and returned to be with society. Between January and the end of November, misled persons who returning to the fold have brought 184 weapons, over 5,000 rounds of ammunition, 40 bombs, and 15 mines to our revolutionary state authorities. State authorities and people in Siem Reap-Oddar Meanchey Province have implemented the 6-point policy well. Currently, these compatriots are peacefully building new lives with their families. [Text] [Phnom Penh Domestic Service in Cambodian 1300 GMT 2 Dec 84]

POL POT BANDITS KILLED--During 1984, the security forces of Puok District, Siem Reap-Oddar Meanchey Province, achieved a great success in sweeping operations against the Pol Pot bandits. In close cooperation with the Vietnamese volunteer army, the local authorities, and our people, our armed forces killed 110 Pol Pot bandits, wounded 87, captured 5, and forced many others to surrender. We seized a large quantity of assorted guns, ammunition, assorted mines, and war materiel. This success has boosted the morale of our armed forces, encouraging them to further enhance their fighting spirit to eliminate all Pol Pot bandits from Kampuchean territory in order to ensure happiness and security for the Kampuchean people. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 3 Dec 84]

PREK PRASAP DISTRICT SECURITY--The security forces in Prek Prasap District of Kratie Province have strengthened their tasks of providing security for the people by launching sweeping operations against the Pol Pot bandits. At the beginning of the fourth quarter of 1984, in close cooperation with the

Vietnamese Army volunteers, Prek Prasap District's security forces launched several operations against the bandits. They killed 17 bandits, wounded some others, and seized some weapons, ammunition, mines, radio sets, and war materiel. At the same time, they persuaded 33 misled persons to return to the fold. These returnees brought 18 weapons and a large quantity of mines and hand grenades for our revolutionary authorities. These achievements attested to the great power of our Kampuchean revolution which is being strengthened and consolidated with every passing day, and to the deteriorating situation of the Pol Pot-Sihanouk-Son Sann bandits who are moving rapidly toward doom. [Text] [Phnom Penh Domestic Service in Cambodian 1300 GMT 3 Dec 84]

PHILIPPINE ENVOY VISITS--The Philippine ambassador to Beijing called on our Democratic Kampuchean Embassy on 26 November in order to congratulate us on our great victory scored over the Vietnamese aggressors at the 39th UN General Assembly. On that occasion, Democratic Kampuchean Ambassador His Excellency Chan Youran informed the Philippine ambassador about the victories won by our national army and guerrillas in their struggle on the battlefield. His Excellency the Philippine ambassador expressed joy over this news and wished Democratic Kampuchea greater victories until total and permanent liberation of the country. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Dec 84]

DK ENVOY AT UNGA--When the representative of the Hanoi aggressors raised the so-called question of peace, stability, and cooperation in Southeast Asia at the UN General Assembly on 16 November, (So Chan), envoy of Democratic Kampuchea, took the floor to energetically expose and denounce this misleading trick of the Hanoi authorities. He said: During the debate on the situation in Kampuchea 2 weeks ago many countries pointed out that the only one responsible for the tense situation in Southeast Asia is Vietnam. He added: The debate by the UN General Assembly on a question already discussed and at a time when the resolution on the Kampuchean question has already been passed with a largest margin of votes ever will be time lost. If Vietnam really cares about the question of peace, stability, and cooperation in Southeast Asia, it must put an end to its indifference to the UN resolution demanding that Vietnam withdraw all its troops from Kampuchea. [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 20 Nov 84]

HUNGARIAN DELEGATION AT MONUMENT--At 1430, shortly after arriving in the PPK, the high-ranking party and state delegation of the Hungarian People's Republic led by Comrade Pal Losonczi, member of the Hungarian Socialist Workers Party Central Committee Politburo and president of the Presidential Council, laid a wreath at the heroes' monument in Phnom Penh in tribute to those who sacrificed their lives for the Kampuchean people's freedom. Accompanying the high-ranking Hungarian delegation were Comrade Say Phuthang, member of the EPRP Central Committee Political Bureau, vice chairman of the Council of State, and chairman of the Central Organization Commission; Mrs Men Sam-an, member of the party Central Committee and chairman of the Central Propaganda and Education Commission; Comrade Chan Ven, secretary general of the PPK Council of State; and Comrade Meas Samnang, minister of industry. [Text] [Phnom Penh Domestic Service in Cambodian 1100 GMT 23 Nov 84]

BRIEFS

FRG AID--On the 23rd of this month, five tape recorders were given to the Lao Radio Broadcasting Corporation in Vientiane by the Federal Republic of Germany. This gift is worth \$5,000 and was handed over by F. W. Arends, third secretary of the FRG Embassy in Laos to Somchai Phimphasouk, deputy director of the national radio and TV network. [Text] [Vientiane BULLETIN QUOTIDIEN in French 26 Oct 84 p 5]

CSO: 4219/15-P

GERAKAN ELECTION RESULTS ANALYZED

Kuala Lumpur UTUSAN MALAYSIA in Malay 1 Oct 84 p 8

[Editorial: "Gerakan After the General Assembly"]

[Text]--The team of Datuk Dr Lim Keng Yaik and Datuk Paul Leong were given a vote of confidence to lead the party for the next 4 years by delegates to the Malaysian People's Action Party [Gerakan] General Assembly which ended last evening.

Datuk Dr Lim will retain his position as party president, which he won in 1980, with a majority of 56 votes. This time he defeated Datuk Michael Chen while Datuk Paul Leong, who is also minister of primary industries, defeated Dr Goh Cheng Teik, deputy minister of agriculture, with a slim majority of five votes. Datuk Paul Leong obtained 805 votes while Dr Goh received 800 votes.

Because Datuk Michael Chen and Dr Goh gathered opposition forces this time aimed at turning the present leadership out of office, attention is turned in their defeat to whether there is any future in the party for these two political figures.

The question of dismissing Datuk Michael Chen and Dr Goh from Gerakan did not arise. It remains to be seen whether they will be given positions on the party's central executive committee by the winning leadership. Four years ago, Datuk Dr Lim showed compassion for Datuk Paul Leong, the man he defeated in the election for the presidential position. Will he feel the same way this time and appoint both Datuk Chen and Dr Goh to the central executive committee to maintain party unity?

At this time the party president has not signaled his intentions. However, we believe efforts to mend fences again are in the pipeline because Datuk Dr Lim does not want to see Gerakan fragmented, especially in view of the approaching general election.

Further, the almost similarly great support given by the delegates to Datuk Michael Chen and Dr Goh cannot be ignored out of hand by those who won.

Of interest also is what the future holds for Dr Goh in the government. In announcing the defeat of Dr Goh, Datuk Dr Lim said Dr Goh remained a deputy minister representing the party in the government. As has often happened in the past, this question is not decided solely by the party president but the prime minister is also involved. However, in making his decision, the prime minister ordinarily would invite the party president, in this case Datuk Dr Lim, to state his view on retaining Dr Goh in his post.

Or, is there some chance that Dr Goh will serve as an example of the democratic process as others have done, namely by resigning from his position before he is forced to do so?

As a former academician, well-versed in the intricacies of democratic principles, Dr Goh perhaps is weighing this option.

6804

CSO: 4213/45

NEW PAS APPROACH TO NON-MUSLIMS QUEPIED

Kuala Lumpur BERITA HARIAN in Malay 16 Oct 84 p 10

[Editorial: "Has PAS Changed Its Policy?"]

[Text] Since Datuk Seri Dr Mahathir Mohamad responded to their invitation to debate with UMNO [United Malay National Organization], the spirits of the PAS [Pan-Malayan Religious Union] leadership have lifted as though they had already won the debate. From one standpoint, of course, they have won it because they have received a response to their invitation. Moreover, if there are no impediments, the debate will be broadcast on television to millions of listeners. The PAS leaders got more than they expected. However, what startled us was the suddenness with which the PAS leadership so greedily wanted to debate and hold dialogues. The debate with UMNO had not yet been held when PAS negotiated to dialogue also with non-Malay parties. Not only that, but it named the MCA [Malay Chinese Association] as the first non-Malay party with which it would hold a dialogue.

The reason offered by PAS for holding the dialogues is that it needs them to correct misunderstanding about its struggle and policies in non-Malay circles. The majority of Malaysian people of Chinese and Indian descent are clearly concerned about the PAS struggle. This is not merely because they have been frightened by UMNO as Haji Nakhale Ahmad, PAS vice president, claimed. He himself must admit the steps taken by the PAS leadership in the form of speeches and actions confused non-Malays and non-Muslims. Haji Nakhale and the other PAS leaders cannot deny in the blink of an eye that they often use words that are not used in polite society when speaking about one or another of the Malaysian peoples or religions. For instance, they prefer to use the word "infidel" when speaking about persons of Chinese descent or Christians when a more suitable word, for these nationalities or religions, in the context of Malaysian society, would be "non-Muslim." Earlier in introducing its ideology and programs, PAS acted as though non-Muslims and non-Malays did not exist in this country.

If PAS is really sincere in its desire to dialogue with non-Malay parties, moreover, with members of the National Front, we must first conclude that the PAS policy has been changed or that it is using this tactic as one more weapon to criticize its enemy, the unity within UMNO. If PAS has changed and admits that it can no longer ignore the right of non-Malays and non-Muslims to exist in this country, it is a very interesting change. And in studying Haji Nakhale's explanation, we might get the impression that PAS has done something

rather extraordinary, namely, that it is acknowledging again that there is an obligation to teach the Chinese and Tamil languages beginning at the elementary school level. For a political party that earlier acted as though only Malays and the Malay language existed in this country, Haji Nakhai's acknowledgement is really amazing. Is the same thing true for the Arab language--the language of the Koran? Perhaps he forgot to mention that he also has an obligation.

In the overall Islamic context, the PAS bid to enhance non-Muslim's understanding of its aims and principles, of course, is hailed as long as its reasons for doing this are sincere and as long as it is aware that every pious Muslim is responsible for instructing others about Islam. Up to now PAS has denigrated the government's efforts to adopt Islamic values and to launch Muslim-oriented programs such as the bank and the Islamic International University. PAS has proposed its own programs which to some extent have aroused suspicion and fear in non-Muslim groups. However, our real hope is that this moderate PAS policy has no hidden purposes. If PAS can convince non-Muslim Malaysians that their rights and freedom of religion will not be eroded by the broadening of Islamic law, our efforts to elevate Islam to greater heights will be made easier. PAS's bid must be based on how sincere it is about improving the Muslim image and should not be another tactic for fighting against UMNO by entering an arena which to date has been open only to UMNO. We shall wait and see.

6804

CSO: 4213/45

PRIVATE SECTOR URGED TO ENTER SHIPPING FIELD

Kuala Lumpur UTUSAN MALAYSIA in Malay 13 Oct 84 p 17

[Article: "Private Sector Urged to Enter the Shipping Field"]

[Text] Last evening Datuk Sabaruddin Chik, deputy minister of finance, urged this country's private sector, especially bumiputera [indigenous people], to enter the shipping field since there are not enough shipping services available at present.

By entering that field, the private sector would also aid in reducing the deficit in the invisible trade account which amounted to M\$6.8 billion last year and is calculated to rise to M\$9 billion this year, he said.

"It is now time for private businessmen to take the initiative and enter the shipping field since not enough service is yet provided by the Malaysian International Shipping Association (MISC) and Pemas National Shipping Lines (PNSL)," he commented when speaking at the signing ceremony for a Pomex Maya Sdn Bhd [private corporation] agreement in Kuala Lumpur.

Pomex Maya Sdn Bhd is a joint venture of Pomex Ventures Sdn Bhd, a fully-owned bumiputera company, and Maya Enterprise Co Ltd of Japan. It was established to provide weekly "liner service" between Malaysia and Japan.

The agreement was signed by Mr Daud Datuk Haji Taha, Pomex Ventures chairman, and Mr S Nambu, chairman of Maya Enterprise, for their respective sides.

With regard to the shipping field, Datuk Sabaruddin reported that the government is now re-examining this country's services sector to ascertain whether the level of bumiputera involvement in that sector accords with the New Economic Policy.

He said important factors such as the affect of the government policies to date and opportunities that have been offered to attract more bumiputera to enter that industrial field were being re-examined.

As to components, he explained that the government would like to see more private companies enter this industrial field and added that the government was prepared to reduce its involvement in that field if private individuals would enter it.

Datuk Sabaruddin was annoyed because although dozens of Malaysian companies were involved in the shipping industry, they merely served as shipping agents or only provided "tramp services."

He said the government, of course is aware that this may be true because a great deal of capital is needed to provide far greater and farther-reaching shipping services, because of a shortage of expertise in this field in this country as well as the still competition they face from foreign shipping companies.

Nevertheless, he explained, the government will continue to offer incentives and support of all kinds so that private companies can take hold and compete with foreign companies.

In this connection he urged Malaysia's financial institutions to become more actively involved in assisting Malaysian businessmen to enter the shipping field so that this nation can become a "maritime nation."

6408

CSO: 4213/45

BUMIPUTERA CONSTRUCTION COMPANIES LOSING MONEY

Kuala Lumpur BERITA HARIAN in Malay 10 Oct 84 p 16

[Article by Ibrahim Yahaya: "Many Bumiputera Construction Companies Are in the Red Because They Fail To Get Bids"]

[Text] Kuala Lumpur, Tuesday [9 October]--A number of bumiputera [indigenous people] construction companies are in a "critical" state and in the red because their bids on projects are not accepted.

The problem is becoming worse because of the few government projects being built at this time. Reportedly they will face more severe losses in the coming years because the steps being taken to economize and the unrestored economic situation have led to fewer government projects.

Bumiputera construction company sources informed PUSAKABUMI that because of the losses incurred, many bumiputera contractors do not have the resources to compete with foreign contractors for a project. In addition, those sources explained that new bumiputera contractors now bidding on projects reportedly are not being given an opportunity to show their capabilities merely because they lack experience.

"If they are given no opportunity to do the work, how can they gain experience?" he asked, reporting that recently in a hotel construction project sponsored by the Urban Development Association (UDA) and a developer, 90 percent of the interior projects in that hotel were turned over to nonbumiputera contractors.

Meanwhile, the sources, who are close to the Malaysia Bumiputera Construction Contractors Union, explained their side will present a proposal urging the Pusakabumi to review its mission to safeguard the interests of bumiputera contractors. According to those sources, many bumiputera contractors were dissatisfied with the role that agency has played to date because it has not met their aspirations. The 1980 Bumiputera Economic Congress, they said, outlined the primary tasks to be undertaken by that body in accord with its mission as an agency that fights for the interests of bumiputera contractors. The sources explained that many view bumiputera construction contractors as weak and unable to do the job.

ISLAMIC WORK ETHIC ANNOUNCED

Kuala Lumpur BEXITA HARIAN in Malay 10 Oct 84 p 1

[Article: "Islamic Work Ethic Creates Devotion to Allah"]

[Text] Kuala Lumpur, Tuesday [9 October]--The Islamic work ethic announced today is aimed at creating devotion to Allah and fostering responsibility in workers in line with steps being taken to create a clean, competent, and honest administration.

Mr Anwar Ibrahim, chairman of the Islamic Deliberative Council (BPI), explained that although everyone works to meet his own needs and those of his family, society and the state, all these goals should be rolled into one main and honorable goal which is to make himself a humble servant of Allah.

"Every good worker will carry out his duties fully convinced that he is thereby serving Allah," he explained when he announced the ethic in a news conference after chairing the BPI meeting.

Mr Anwar said workers who are strongly motivated toward their work will be better prepared to shoulder any responsibilities given them and to be fully attentive to carrying them out as well as surrendering themselves to Allah.

"To do one's work well is by nature honorable and is highly praised because that is how high-caliber work is achieved and is the basis on which a clean, competent and honest government is founded," he said.

Mr Anwar Ibrahim, who is also minister of agriculture, said five targets are contained in the Islamic Work Ethic Guideline.

"The guideline agreed upon by Prime Minister Datuk Seri Dr Mahathir Mohamad will be circulated to all Muslim employees in the government and private sectors," he commented.

It contains the following targets:

- Work sincerely and honestly.
- Work industriously and competently.
- Work with a spirit of mutual aid, discussion, and consensus.
- Work for the well-being of all mankind.

"Although the guide is a springboard for quality work done by Muslim employees, it might also serve as a guideline and set an example for non-Muslim workers," he said.

Guide

Nevertheless, Mr Anwar Ibrahim explained, it is intended that this be used by workers as a guide for improving the quality of their work, and failure to follow the guideline will not be considered a crime under the law.

When asked what effect the guideline would have and what steps would be taken to see that it was observed by all employees, Mr Anwar said it would depend on the duties assigned and it would be the responsibility of the ministry concerned and the heads of the respective departments to see that it was observed.

"However, it should be kept in mind that this guideline is not just a memorandum prepared by the senior staff and circulated to their subordinates, but that it applies to all workers, regardless of their level of employment," he explained.

The work ethic was produced as a result of a study made by a small committee chaired by Prof Tan Sri Ainuddin Wahid, vice chancellor of the Malaysia Technological University.

6804

CSO: 4213/45

FELDA SPEAKS OF LACK OF DEVELOPMENT FUNDS

Kuala Lumpur BERITA HARIAN in Malay 25 Sep 84 p 4

[Article: "Main Problem Is Lack of Money, FELDA Says"]

[Text] Kuala Lumpur, Thursday [27 September]--The main problem with the failure to provide basic facilities in 67 percent of the FELDA [Federal Land Development Authority] land projects is lack of money and not poor synchronization between FELDA and other agencies.

A FELDA spokesman said less money is allocated to the agencies involved, in particular, the Public Works Department (JKR) and the National Electricity Board (LEN), than is needed for the size of the area that has to be equipped with facilities.

He said those resettled must wait from 3 to 10 years before electric power is supplied to them. However, water facilities are installed before they move into a FELDA project.

Preparation of the Area

"The allocation of funds is the main problem in this case. Synchronization between agencies working on these projects and FELDA is no problem because the Executive Committee for Synchronizing Public Facilities Projects has been established to take care of this," he said.

The executive committee synchronizes all work to be done by these agencies to ensure that schedules are maintained for installing basic facilities.

Clearly, FELDA each year must prepare an area for the settlement of some 5,000 families.

For this many families, FELDA must develop some 25,000 hectares a year in 15 projects, including the redevelopment of projects which had been built on long ago.

"If we could do it, we of course would like to provide all needed basic facilities in all areas being developed, but allocation problems make it impossible for us to do so," he said.

To date FELDA has developed an area of some 646,400 hectares.

The FELDA spokesman made these statements today in commenting on a newspaper report which said that 67 percent of the FELDA project land still had not been provided with all needed facilities.

The report published in MERDEKA said the problem rested with poor syndication between FELDA and other government agencies with regard to resettling the population and providing facilities.

According to that report, FELDA plans to obtain electric power from private providers as it has done in 13 FELDA projects in Pahang.

The spokesman added that many of those resettled have done this, but they must pay whatever is asked by private electric power companies.

6804

CSO: 4213/45

MAHATHIR ADDRESSES FORUM ON COOPERATION IN PACIFIC

BK031413 Kuala Lumpur International Service in English 0800 GMT 3 Dec 84

[Text] Modern defense strategy lies in building national resilience and shaping a strategic environment where threats are minimized. Datuk Sri Dr Mahathir says the first line of defense of any country is not in its military capability. Addressing the global forum "84 Malaysia," he said the notion held in the past--that the only guarantee of peace is through the creation of military balances--will pull the rest of the world on the path of escalating defense expenditure. Instead, if the policy of making friends with those who want to be friends is pursued, the concept of a strategic environment with minimal threats could be achieved without having to resort to military means.

Datuk Sri Dr Mahathir said that ASEAN, which has become the second most successful regional grouping after the EEC, could provide a guide for greater pan-Pacific cooperation. At present, the cultural obstacles to such cooperation are so great that even minimal cooperation is impossible.

The prime minister felt that Pacific basin countries could achieve much by having loose, informal meetings at all levels and on various subjects.

Referring to the protectionist tendencies of the developed world, he said that developed nations must surely realize that one day they would bow to the developing countries.

The countries participating in the forum included Thailand, the Philippines, Indonesia, Australia, Singapore, Cook Islands, France, China, India, Britain, and the United States.

CSO: 4200/230

PRIME MINISTER CRITICIZES OPPOSITION PARTIES

BK031633 Kuala Lumpur Domestic Service in English 1330 GMT 3 Dec 84

[Text] Datuk Sri Dr Mahathir has slammed the two major opposition parties with creating trouble to destroy the Barisan Nasional [National Front]. He charged that the DAP [Democratic Action Party] and PAS [Pan Malaysian Islamic Party] are constantly exploiting government policies to gain publicity and support. Datuk Sri Dr Mahathir warned that the DAP and PAS moves not only disunite the people but will also split the Barisan Nasional component parties. He pointed out that the two parties also tried their best to turn the MCA [Malaysian Chinese Association] and Gerakan [Malaysian People's Movement Party] against UMNO [United Malays National Organization] in particular and the Barisan Nasional in general.

The DAP, he said, has turned the Bukit China development project into a racial issue, while its counterpart PAS has accused UMNO officials of being infidels.

Datuk Sri Dr Mahathir said this when he addressed more than 2,000 people at the Selangor State Secretariat in Shah Alam. The prime minister and his wife are on a 2-day visit to the state.

Continuing his criticisms on PAS, Datuk Sri Dr Mahathir said PAS had tried to force UMNO and the government to declare Malaysia an absolute Islamic nation. He, however, gave an assurance that there is no way why [as heard] the government should agree to such a move in view of the multiracial and multireligious character of Malaysia. Datuk Sri Dr Mahathir explained that existing Barisan Nasional policies are already in line with the Islamic teachings.

CSO: 4200/250

DEPUTY MINISTER ON DEVELOPING BULGARIAN TIES

BK020714 Kuala Lumpur International Service in English 0600 GMT 2 Dec 84

[Excerpts] The government will deal severely with Malaysian businessmen overseas who smear the country's good image by violating business contracts with their foreign counterparts. In giving the warning, the deputy minister of foreign minister, [as printed] Mr Kadir Sheikh Fadzir, said his ministry had sufficient proofs of all suspects.

In his speech to honor his Bulgarian counterpart, Mr Lubomir Popov, Mr Kadir reiterated that Malaysia is in favor of achieving a nuclear weapons-free zone in Southeast Asia. He said like Bulgaria, Malaysia realizes the importance of peace and stability to sustain national and regional social economic achievement. Malaysia and its ASEAN partners have resolved to turning the Southeast Asian region into a zone of peace, freedom, and neutrality so that the region is free of external interferences.

The deputy minister also said that geographical location and sociopolitical systems should not be impediment to the consolidation of ties. He stressed that it is Malaysia's policy to work for the strengthening of bilateral trade. In this regard, the government welcomes all efforts to enhance trading relations, including entering into countertrade arrangement.

Mr Popov, who is on a visit to countries in this region, will leave for Bangkok today.

CSO: 4200/250

PARTIES, MUSLIM LEADERS WELCOME ROYAL RULING

BK041728 Kuala Lumpur Domestic Service in Malay 1230 GMT 4 Dec 84

[Text] Political parties, ulemas, and community leaders are welcoming a religious ruling issued by the Council of Rulers prohibiting Muslims from accusing other Muslims of being infidels. They hoped that those involved will repent and return to the right path. The Council of Rulers' decision was described as Beijing relevant to the current situation in the country, where seeds of disunity among the Muslim community are growing. They hoped that issues such as two beliefs and boycotts among parties would be immediately discontinued following the ruling.

The chairman of the Johor Islamic Council, Datuk Mohamed Yunus Sulaiman, described the decision as a gift for Muslims who will commemorate the birthday of Prophet Mohamed tomorrow.

The chairman of the Johor Ulemas' Association, Syed Ali Alatas, also welcomed the decision, and called on political parties not to exploit the situation again by manipulating this sensitive issue.

In Kota Baharu, the chairman of the Information Bureau of the Central [words indistinct], Haji Abdul Gani Mahmud, described the royal ruling as an important decision in preserving Muslim interest. He said that all sides regardless of political party should obey the ruling.

Meanwhile, the Pan-Malaysian Islamic Party also welcomed the ruling.

CSO: 4213/67

PREVENTING MUSLIM DISUNITY--The government will consider the possibility of drafting a new law to take action against those who call Muslims infidels. The prime minister, Datuk Sri Dr Mahathir, told newsmen that he will discuss with the cabinet what action is to be taken against the culprits. This follows the directive by the rulers council yesterday asking the prime minister to stop these activities in order to prevent disunity among the Muslims. Datuk Sri Dr Mahathir was speaking to newsmen after a visit to Kampung Parit Mahang near Kuala Selangor outside Kuala Lumpur. He warned that anybody making such accusations after the law is passed will have to face the penalty of the law. He said that he will report the proceedings of the rulers council to the UMNO [United Malays National Organization] Supreme Council. The prime minister said only the rulers have the right to make a decision on the matter as it concerned the religion. [Text] [Kuala Lumpur International Service in English 0600 GMT 4 Dec 84]

MALAYSIAN-INDONESIAN NEGOTIATIONS--Malaysia and Indonesia have agreed to settle the Pulau Sepadu and Pulau (Ligitan) issues through negotiations. The deputy minister of foreign minister, [as printed] Encik Kadir Sheikh Fadzir, said this at the Dewan Negara [Senate] during question time. He said Indonesia made its first claim on the two islands in 1969. Both islands have been administered from all aspects by the Sabah state government since long time ago. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 4 Dec 84]

RESTORING UNITY--His Majesty the King has directed that discussion sessions be held to restore Muslim unity damaged by the practice of Muslims calling one another infidel. His Majesty said the session should be held from time to time whenever problems related to Islamic issues crop up. The Fatwa [religious advisory body] ruling committee should meet to decide on the rulings to resolve the problems and these should be submitted to the conference of rulers for a public announcement. His Majesty also wants the government to draft laws enabling the Islamic court to take action against people calling other Muslims infidel. The king said this in his address in Kuala Lumpur in conjunction with Prophet Mohamed's birthday celebrations at national level. Datuk Sri Dr Mahathir Mohamed and Datuk Sri Datin Paduka Dr Siti Hasmah, and Datuk Musa Hitam and Datin Maria were among those present at the ceremony. Datuk Sri Dr Mahathir had announced yesterday that the government will take firm action, including new legislation, to check the practice among Muslims. He had said the proposed law, if approved by the cabinet, would be used against anyone involved in the practice. [Text] [Kuala Lumpur International Service in English 0600 GMT 5 Dec 84]

MINISTER ON COMMUNIST TACTICS--Deputy Defense Minister Datuk Abang Abu Bakar, has said that communist terrorists are found to be stepping up efforts to use religion with a view to influencing the Malay community. He urged the rural inhabitants, particularly those living in border areas, to be careful about this trend so as not to get trapped by them. Their efforts include the use of videocassettes, displaying them in prayers. He made the remarks after being briefed on the security in the state of Perak in Ipoh, Perak. Datuk Abang Abu Bakar explained that their actions were designed to win public attention and sympathy in an effort to overthrow the government. Efforts to eliminate the communist terrorists have to be continued although their activities are increasingly weaker. [Text] [Kuala Lumpur Domestic Service in Malay 0900 GMT 26 Nov 84]

ASEAN-JAPAN TRADE IMBALANCE--Japan has been urged to give serious attention to the imbalance in the invisible trade with ASEAN countries. It should adopt a fair and reasonable interest rate for yen loans to these countries. Foreign Minister Gengku Ahmad Rithauddeen made the call at the second ASEAN Standing Committee meeting in Kuala Lumpur. He said that the question of access to Japanese markets for goods from ASEAN countries should also be given consideration. Tengku, who is also the committee chairman, disclosed that the matter was put forward at the ASEAN-Japan Forum in Bali recently. He added that the recent meetings among ASEAN senior officials in Kuala Lumpur and London had studied ASEAN's initiatives in ASEAN-Pacific cooperation. A meeting will be held in Jakarta next January to examine the procedures and framework of the cooperation. [Text] [Kuala Lumpur Domestic Service in Malay 0900 GMT 26 Nov 84]

PROSPECTS FOR PRC TRADE VIEWED--The Ministry of Trade and Industry has intensified efforts to promote trade between Malaysia and China, especially in palm oil. The deputy minister, Encik Oo Gin Sun, told newsmen in Alor Setar that the market for palm oil in China is big. He led a trade mission to China recently. Encik Oo says the potential for export of [words indistinct] and smaller as well as medium-sized industry products to China is very encouraging. China, he points out, is willing to have direct trade with Malaysia which will help boost Malaysia's trade with China which is now in their favor. At present, Malaysian annual export to China is 300 million ringgit against imports worth 600 million ringgit. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 25 Nov 84]

SWEDISH TRADE MINISTER ARRIVES--The Swedish foreign trade minister, Mr Mats Hellstrom, has arrived in Kuala Lumpur for a 3-day visit to Malaysia. He will have discussions on bilateral matters with the minister of trade and industry, Tengku Razaleigh Hamzah, and the minister of primary industries, Datuk Paul Leong. The discussions will touch on, among other things, questions relating energy, construction, biotechnology, and telecommunications. Mr Hellstrom will also call on the prime minister, Datuk Sri Dr Mahathir Mohamed. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 25 Nov 84]

DEVELOPMENT OF NEGLECTED PLANTATIONS--Taiping, Thursday [27 September]--FELCRA [Federal Land Consolidation and Rehabilitation Authority] is contacting owners of plantation projects established in the Air Puteh, Kamunting, area here to ascertain whether they would permit their land to be developed by FELCRA. FELCRA plans to take over some 160 hectares of the land in that region for an oil palm project. Although the government had turned over that land to plantation projects 20 years ago, most of the owners did not work their estates, and the estates are now overgrown. Plantation owners who wanted to work their estates also often had to contend with attacks by wild pigs or the destruction of their crops by monkeys and other animals. Mr Sharifuddin Sirat, a plantation owner, reported that all of his plantings were destroyed by wild pigs. The pigs breed in the plantation region. "This makes it difficult for plantation owners to put in their crops," he said. Mr Sharifuddin said plantation owners paid to have trees felled in that region. "However, rain sometimes falls when it is time to burn off the brush and the area is then neglected," he added. Many owners have sold their plantations for M\$15,000 to M\$25,000 per four-fifths of a hectare. It is understood that each year FELCRA will compensate the plantation owners concerned if they allow their plantations to be developed by that agency. [Text] [Kuala Lumpur BERITA HARIAN in Malay 28 Sep 84 p 25] 6804

C50- 3313/4

MP ASKS PURPOSE OF BENITEZ TRIP TO BANGKOK, U.S.

REJOINDER NANTIA BUSINESS DAY in English 30 Nov 84 p 12

[Herald] MP Arroyo-Benitez (RBI, Pasay) left for Bangkok Wednesday night to attend an ASEAN (Association of Southeast Asian Nations) ministers meeting on environment, a statement released yesterday by the Ministry of Human Settlements (MHS) said.

Benitez will proceed to Washington, D.C., for a series of meetings on the Economic Support Fund (ESF), the statement said.

He will be away for two weeks.

REJOINDER IAN commented that Bangkok was hosting the ministers meeting with Benitez as the Philippine representative.

On the other hand, officials of the Development Project Fund Secretariat which oversees the ESF said they did not know of meetings Benitez would have in Washington over the ESF.

It was known that negotiations have been finalized with the United States Agency for International Development (USAID) in Washington, D.C., for the release of \$40.7 million for the ESF Rural Productivity Support Program for 1985. An agreement was scheduled to be signed on December 7 in Manila.

Before leaving for International in 1984, the ESF Council which manages and allocates ESF funds was transferred from the MHS to the Office of the President. The ESF also followed Benitez with MHS Assistant Minister J. Roberto Ablang as executive director of the Development Projects Fund Secretariat. Benitez is also not a member of the ESF Council.

Commenting on reports that Benitez's trip was planned in order to avoid answering questions on alleged irregularities in the MHS, some newspaper statements quoted Benitez as saying that:

I answered Mr. Perez during the question hour last November 22. He then asked the following questions which I answered after which time ran out. I was not in a position that we extend the discussions to the following question he asked. That was impossible. At 11:00 p.m. last Tuesday, MP (Arturo) Pareda said that all unanswered questions be deferred.

a motion that was accepted. As I have already answered MP Perez's written questions and have made myself available during the question hours that were postponed through no fault of mine, I will be absent from the Batasan as I must now attend to official business which necessitates this trip."

In the Batasan, Perez questioned the absence of Benitez who was scheduled to answer questions on his alleged anomalies in the question hour. Perez also moved that Benitez be recalled to the country and be censured for contempt of the Batasan.

Pacificador, however, objected to the motion, saying Benitez's departure "was not of his own choosing."

Pacificador later moved for an early adjournment of the session without the assembly arriving at a conclusive vote.

A member of parliament can be censured by a majority vote of the Batasan members.

Perez said Benitez is setting a "dangerous precedent."

He pointed out that Benitez's travel order was issued November 21, yet the MHS official failed to inform the Batasan about his scheduled departure. "Why is he allowed to leave?...Flight is evidence of guilt," said Perez.

In explaining his motion, Perez said there are pending resolutions in the Batasan seeking an investigation into the diversion of construction materials from Capitol Bliss and Dagat-Dagatan projects, investment into private companies like Asian Reliability Corp. and Dynetics, a motion to investigate reported bribery cases, and an ongoing investigation by the National Bureau of Investigation on the alleged violation of the anti-graft and corruption law.

Perez was applauded by the gallery audience.

CSO: 4200/217

BANKERS SEE CONFIDENCE AS FACTOR IN ECONOMY

HKJ00859 Quezon City ANG PAHAYAGANG MALAYA in English 24 Nov 84 p 3

[Article by Dennis Fetalino]

[Text] Two imminent bankers yesterday said the one great issue the government has to wrestle with international traders and creditors is essentially one of confidence.

Associated Bank President Jesus P. Estanislao and David Sycip of the Philippine Commercial and Industrial Bank took note of the crisis of confidence on the government and its institutions, which they claim has a bearing on international trade and finance.

Sycip said the whole issue is one of confidence in the future of this country while Estanislao cited the "confidence factor" in the economic adjustment process.

Both bankers shared a common insight in their individual responses to an address by Central Bank Deputy Governor Edgardo Zialcita before the 10th Philippine Business Conference (PBC) at the Philippine Plaza Wednesday.

Estanislao, who is also a senior economist of the Center of Research and Communication (CRC), a private economic think-tank, cautioned against putting the Philippines "in the same leagues" as her Latin American counterparts in formulating assumptions for the economic adjustment process.

He said the Philippines cannot immediately be classified among the equally debtstrapped Latin American countries like Mexico, Brazil, Chile and Argentina because "these countries are even far worse in terms of magnitude of the crisis and the size of the debt owed."

Among the heavy borrowers, the Philippines is in worst financial footing, except for South Korea, Estanislao said.

"The only difference is that political questions lingering in the Philippines are not present in the other country," he said.

Estanislao said the real economic comparative advantage of the country lies in the relative openness of its foreign trade and the basic economic structure, which are conducive for capital inflows and investments.

The CRC economist said the present crisis is not just wrought by purely economic variables.

The economic difficulties also point to the social and political factors that are still at play in the country, he said.

Meanwhile, Sycip said the country's standing foreign debts, placed at \$25.8 billion, "can become a permanent debt" depending on the latter's ability to service principal and interest payments.

Noting the scarcity of foreign exchange at this time, he suggested the use of the peso as a medium of payment with trading partners, which in turn, would use the pesos to buy items they may wish to import to their country.

"How could we expect other countries to respect the peso, if we ourselves do not respect it?" he posed.

He said the use of the peso at this time is even more viable as the floating rate which went into effect under IMF rule has proved to be unworkable.

Earlier business leaders called for greater private sector participation in national economic planning, which is at present the sole domain of government.

A candid opinion poll conducted by MALAYA on participants to the 10th PBC, an annual summit of business leaders, in the country, revealed that organized business is becoming more and more eager and willing to participate in government policy-making rather than merely being an advisory body to the latter.

The leaders, too, are seeking lessened government interference in business undertakings, whether in the form of regulation or direct intervention, moves which they claim "stifles and dampens private initiatives."

Inse S. Yulo Jr., a PCCI vice-president, noted that the PBC has through the years become sort of a "complaints committee" of the private sector on certain government moves.

CSO: 4200/217

DOCTOR QUESTIONS REPORTS ON MARCOS' FLU

HK291144 Quezon City ANG PAHAYAGANG MALAYA in English 26 Nov 84 p 7

["The Eye of Horus" column by Dr Esperanza Icasas Cabral: "Medical Rubbish About Influenza"]

[Text] With all due regard to the person and competence of an esteemed colleague, Dr Eduardo Jamora, to whom I turned for help when my own mother was ill, I would like to say that the statement attributed to him about the President being "put in reverse isolation" because he had "early signs of the flu" is unadulterated pig swill.

Any self-respecting general practitioner, never mind pulmonary specialist, should live in eternal shame for making such a statement, assuming that it was made freely and sincerely. Since I am convinced that Dr Jamora (or Tids, as we call him fondly) is a most competent pulmonary specialist and up until now, I had no reason to believe that he was devoid of self-respect, my conclusion is that Dr Jamora did not make this statement freely and sincerely. There can only be two explanations for such. First is that the statement did not come from him or was taken out of context by the people who actually released the statement. Or second, Dr Jamora was forced to fabricate this deliberately misleading assertion in order to confuse and deceive the public whose outcry for truth has become too loud to ignore. Which explanation is worse is painfully difficult to tell.

Influenza or "flu" is an acute, self-limiting respiratory infection of specific viral etiology characterized by fever, headache, muscular pain and a general feeling of exhaustion. In strict medical language, the terms "influenza" and "flu" are restricted to cases with clear epidemiologic and laboratory evidence of infection with one of the influenza viruses. However, it is common for doctors, when talking to patients or the public to refer in almost any form of acute viral respiratory or systemic infection as the "flu" or influenza. The important point is that whether the infection is caused by a legitimate influenza virus or some other virus, the disease is self-limiting in the overwhelming majority of cases and the patient will get well inside of a week except for some post-infection debility that may last for a few days more whether the patient gets any treatment or not.

is very special cases, complications can occur and the "flu" can assume a much less innocuous course. These special cases include patients who are elderly (e.g., 67 years old or so) and/or who are already suffering from a chronic and debilitating disease such as heart or kidney failure. Patients who are receiving steroids and other drugs that suppress the natural resistance of the body to infections (e.g., immunosuppressives given for conditions like /Lupus Erythematosus/ [slantlines denote boldface as published] or to prevent kidney or heart transplant rejection) are also at high risk of developing complications from what we said is an ordinarily self-limiting condition.

In these patients, complications of influenza, principally pneumonia, occur much more frequently and severely than usual. In these patients, however, the "early" signs of influenza usually last for a much shorter period than usual (not all of 7 days, e.g., November 14-21) or patients exhibit the full-blown disease after virtually no prodromal period. Severe prostration sets in quickly and takes a much longer period to resolve. It is only in the more vulnerable ill of this group of patients where total reverse isolation is practiced. In fact, if the President was healthy to start with, as we have been repeatedly informed, there would have been very little medical reason for a physician to be so fearful of complications as to impose strict reverse isolation during the prodrome of the illness, nay, as we are led to believe, even a few days before that. Therefore, if indeed the President had the flu, he must have been a rather sick man to start with to cause his physician to institute such strict preventive measures.

Evidently, Dr. Jamora felt that it was safe enough for the President to be exposed to certain bacteria-carrying individuals like the TV crew, Mr. Cendana and Mrs. Marcos last November 21 so that these people were allowed into the room for a video recording. Dr. Jamora, Mrs. Marcos and Mr. Cendana were very conspicuous in their street clothes where the customary garb would have been cap, gown and mask. In addition, one other thing was perplexing. If it was safe enough for the President to be video taped with his doctor, wife and underling by a crew of at least two persons, it was safe enough for him to talk. Why, then, he never said a word? For someone whose concern for the country was so overpowering that he chose to attend to the business of the state even when he was feeling poorly and risked contracting all sorts of dangerous infections from the people in that room, it was strange that Mr. Marcos could not bring himself to addressing us even briefly. But of course, as Dr. Jamora's mustache dates the picture back to two years ago, it might be too much to ask for Mr. Marcos to have something relevant to say.

Well, restrain yourself. Put an end to this utter nonsense and tell us the truth. (slantlines denote boldface as published)

END - 4000/111

NEW ATTEMPT TO UNITE OPPOSITION GROUPS

HK030159 Manila BULLETIN TODAY in English 2 Dec 84 pp 1, 12

[Article by Vicente B. Foz]

[Text] Mrs Cory C. Aquino, widow of assassinated opposition leader Benigno S. Aquino Jr., businessman Jaime V. Ongpin, and former Sen Lorenzo M. Tanada have started trying to get the various opposition groups and personalities to agree on the process of choosing quickly their common presidential and vice-presidential candidates.

The three, calling themselves "the convenor group," were to meet individually with opposition leaders. Their list of "possible standard bearers" include only eight names.

They are--in alphabetical order--Agapito "Butz" Aquino, younger brother of the slain opposition leader; former Sen Jose W. Diokno; former senator and now member of Parliament Eva Estrada Kalaw; former Sen. Salvador H. Laurel, president of the United Nationalist Democratic Party (Unido); former Sen Raul Manglapus, now in self-exile in the U.S.; member of Parliament Aquilino Pimentel Jr., national chairman, Pilipino Democratic Party-Lakas ng Bayan (PDP-LABAN); Rafeal Salas, former Malacanang executive secretary and now deputy secretary-general of the United Nations; and former Sen Jovito R. Salonga, president of the Liberal Party.

A concept paper on the Aquino-Ongpin-Tanada initiative defines the problem thus: In the next presidential election, the fear is that the opposition will be fragmented and there will be several opposition candidates. The Kilusang Bagong Lipunan (KBL), on the other hand, may remain united and field one presidential and one vice-presidential candidates.

There are two contingencies to consider: a sudden presidential election, or the "fast track," and a presidential election in 1987 as scheduled, or earlier, say 1986, or the "slow track."

Opposition groups have not agreed on how to get together "in a unified effort under a unified leadership." The paper says most groups appear to have been lulled into thinking that they have until 1987 to prepare for the elections.

The concept paper which some quarters think was prepared by a business and professional group, warned that if the situation continues, there would be quarrelling and infighting among the opposition groups, "whereas the KBL will cause an early presidential election, in accordance with the present succession formula" under the Constitution.

This, the paper said, would deprive the opposition--political parties, business and professional groups, cause-oriented and sectoral groups--of time to forge unity.

The idea, therefore, is to get the contending groups to start talking and bargaining now, rather than wait for the sudden presidential election to become a reality.

A presidential election held as scheduled in 1987 or in 1986 is viewed as a matter of great concern. The paper said that various opposition groups are not responding to the new reality in the local political situation--there are very significant groups, other than political parties, which can have and intend to have a big influence in political development in this country.

In a sudden presidential election, there will be no time for a convention, the paper pointed out.

Under the ground rules of the "fast track system," the managing group, which eventually would take over the work of carrying out the mechanics from the Aquino-Ongpin-Tanada convenor group, will choose the standard bearers on the basis of interviews, surveys, and discussions.

The candidates chosen will run only in an emergency situation or a sudden presidential election. They will not necessarily be the opposition standard bearers if the election takes place as set in 1987. Thus, if elected, they will serve only during the transition period.

The standard bearers thus chosen must agree to serve for the transition period of, say, two years and call for a constitutional convention with six-months. Another presidential election will be held after the adoption of a new Constitution.

The transition president and vice president will not be eligible for the first regular term under the new constitution. The president of the Constitutional Convention will also be barred for the first regular term under the new Constitution.

The transition president and vice president will agree not to use Amendment No. 6.

If the majority of the participating probable standard bearers do not favor the concept of transition leaders, then the standard bearers to the chosen will serve the full six-year term under the 1973 Constitution. But the standard bearers chosen must agree to work for a new Constitution to be in

place within 18 months and also agree in writing not to use Amendment No. 6, according to the paper.

The paper proposes that other probable standard bearers and the managing group will be consulted in the appointment of Cabinet-level, key judicial, and key military positions.

The managing group is to be composed of individuals acceptable to the opposition leaders.

How will the standard bearers be chosen?

At a meeting, the probable standard bearers will choose by secret ballot the common opposition candidates. A majority vote will decide the question. But if the required vote is not mustered after seven attempts, another balloting is held with the managing group taking part in the proceeding.

If after three ballotings, no majority vote is mustered, the managing group itself will choose the standard bearers by majority vote. The managing group's choice will be guided by surveys, if feasible, interviews, and discussions.

Once the managing group has decided on the standard bearers, all participating opposition leaders will sign an agreement to support the chosen candidates.

CSO: 4200/217

DAVAO COLUMNISTS ON U.S. 'MEDDLING', INTERESTS

U.S. Role in 'Destabilization'

HK010326 Davao City PEOPLE'S DAILY FORUM in English 18 Nov 84 p 6

[From "The Frontline" column by attorney Doring Bajo: "Meddling Uncle Sam"]

[Text] The pattern of meddling by the United States of America with the internal affairs of our country is beginning to be crystal clear.

Time and again a representative of Uncle Sam who cannot be our relative by any stretch of the imagination would come to our shores and give unsolicited pointers on how the Philippines should run the government. Quite recently a spokesman of the U.S. State Department issued a statement on what we should do with the Aquino assassination. Of course, the spokesman forgot that many Filipinos have not ruled out the role of U.S. involvement in the brutal killing of the late senator.

One of the biggest questions revolves around the case with which the latest opposition leader left America with a forged passport. Is not the CIA (Central Intelligence Agency) an expert along this line?

Another equally weighty question centers on the fact that the manner of the assassination was too coarse if we consider that it was done in public with a tight military security and by an alleged assassin who could not be expected to bleed profusely because he had been killed ahead of the late senator. Was not the assassination aimed at disestablishing our government? Many Filipinos have been asking this question in the light of the active participation by a wealthy segment of the business community with various interests in the United States of America, in demonstrations which were previously staged by the opposition and radicals. This is not surprising if we look back at the history of Cuba. At one time, America supported a communist guerilla leader, Fidel Castro to depose Fulgencio Battista who was a dictator by U.S. standard. At present, America continues to have a naval base in communist Cuba. And by coincidence, African and South American countries run to mother America for help whenever Cuba sends troops to one or two countries in those regions. The point we want to bring out is that America is adept at making strange bed-fellows with any country if that will serve her interest. For example countries in need of U.S. aid sell their raw materials at prices dictated by Americans.

Only recently we noted with the greatest of apprehension the participation of some pro-American Filipinos residing in Davao City in the transport strike. They never joined in prior demonstrations. But during the strike they were all over. Apparently they acted on cue because shortly after the strike and the release of the Agrava report, no less than President Reagan said that America would transfer her military bases to Taiwan which is more democratic in case the Marcos administration is toppled down. By the way, how can a country like Taiwan which has only one political party and bans demonstrations and strikes be more democratic than the Philippines?

Shortly after Reagan's statement, President Marcos countered with an assurance that his administration would not fall by means of the bullet or ballot. And subsequent events proved the President right. No coup d'etat followed after the release of the Agrava report. After all President Marcos had long prepared for this kind of contingency when at the beginning of his administration about 19 years ago, he did away with one dangerous aspect of U.S. interference by dismissing some high ranking military officers suspected of being CIA agents.

'Consistant in Misreading' Asia

HK010330 Davao City THE MINDANAO DAILY MIRROR in English 14 Nov 84 pp 2, 8

[Article by Boy Nograles: "The American Perception"]

[Text] U.S. President Ronald Reagan outlined the American policy in the Philippines when he declared "that despite some faults in democracy there," U.S. aid for the Marcos government will continue because the alternative would be a hostile communist power." America cannot allow the Philippines to be thrown to the "wolves."

On the other hand, a U.S. Embassy official named Croghan has been quoted saying: "We're not lecturing. We're not telling the Filipinos how to fight insurgency. We're not telling Filipinos how to correct their economic problems. We're not telling them how to arrange their political life." The U.S. is only stating its policy.

The American concern in the Philippines is anchored mainly on two aspects. First and foremost is their own economic interest represented by U.S. companies doing business in our country. Their second concern is purely egoism: the military bases in Subic and Clark. These military bases seem to project to the American mind an egoistic sense of military supremacy in Asia and the Indian Ocean. They are "crucial in projecting the image of U.S. military strength" in those areas. The Philippines just happens to be a pawn in the game between the superpowers in which we are not indispensable. Fact is, the Americans are now scouting for possible alternatives to Subic and Clark because of their perception of the growing strength of the "wolves."

Just how do our American friends perceive our military strength against the subversives, notably the NPA and the CPP? According to their field reports, the NPA-CPP must have around 12,500 full-time, fully-armed guerillas and 10,000 or so part-time militia soldiers. The NPA has a positive image among the barrio folk for they are swift in dispensing "people's justice against.... common criminals....and use violence in some calculated fashion for maximum effect." An American report also pictures our AFP soldiers to be often in league with criminal elements and the CHDF "are often the town toughies and petty criminals who use their weapons to exploit local people than to fight the NPA." The American article further pictures some of our soldiers as "carefully avoiding any clashes with the guerillas that could wound them and are apparently no longer willing to fight for the Marcos administration, its leaders or its top military officers."

So, what is the Reagan solution? Alas, he is urging the U.S. Congress to provide more dollars to the Marcos government because he feels that our defense budget has shrunk in real money value in recent years. The Americans want to give more military sales credit, security assistance and some \$25 million in programmed military assistance funds so that our AFP may no longer "forage for food during field operations, use palm oil to lubricate their weapons," will no longer be "deficient in training," and will have access to unlimited transportation, sophisticated equipment and huge logistical support to combat insurgency.

The Americans have been consistent in misreading the Asian and Muslim countries. They have misconceived the problems of Somoza, of Nicaragua and the Shah of Iran. They are either on the horns of a dilemma or cocksure of their solution when a crisis of international proportions looks them in the eye.

If it is the American perception that the years of authoritarian rule have made insurgency in the Philippines a problem that has risen to critical proportions, the restoration or realization of truth, freedom and justice should be the only antidote to the ailment. Not more bullets and weapons. Bullets cannot change a mind terrorized by years of oppression. Weapons do not satisfy the hunger for justice and freedom. They cannot stop corruption and the arrogance of power. On the contrary, they will enhance and escalate the problem.

When a government official publicly wallows in his ill-gotten wealth; when our leaders ostentatiously display before the hapless Filipino people their arrogance and power in times of crisis; when a soldier tramples upon the rights of the very people he is sworn to protect; and when the military defies reason because its logic proceeds from the barrel of the gun, the only recourse for those at the other end of the barrel is to continue to be comed (?) to submission, to flee, or to fight back.

In fine, a continuity of the corruption, the abuses and the indifference of the authoritarian regime are neon lights to the NPA communist billboard heralding that the democratic principles exported by America will not work hereabout.

DEFENSE MINISTRY COMMITTEE TO INVESTIGATE MANILA DEPLOYMENT

OW011259 Tokyo KYODO in English 1248 GMT 1 Dec 84

[Text] Manila, Dec 1 KYODO--A six-member Philippine Military and Defense Ministry committee has been formed to investigate the reported deployment of troops and armoured vehicles in the capital, the Philippine News Agency (PNA) reported.

The committee, headed by retired Brig. Gen. Victor Lizardo, defense assistant and secretary for plans and programs, was created in response to a parliamentary resolution calling for an investigation into a report which appeared in the opposition newspaper MALAYA (free press) on November 24.

The MALAYA report quoting an unnamed source close to the military, said that about 100 tanks and armoured vehicles and an undetermined number of troops under army commanding general, Maj. Gen. Osephus Ramos, were "deployed" in the capital in preparation for a military takeover in the wake of rumors about the failing health of President Ferdinand Marcos.

The report also said that acting armed forces chief, Lt. Gen. Fidel Ramos, could not order the troops and the armoured vehicles back to the provinces.

The MALAYA report was flatly denied by a spokesman of the army commanding general.

Ramos recommended the creation of the committee with the approval of Defense Minister Juan Ponce Enrile. Ramos said the inquiry will allay the fears of the people regarding the presence of troops and armoured vehicles in the capital and will also "correct the deployment of these counter-insurgency assets."

CSO: 4200/217

BRIEFS

IMELDA ON HEALTH OF COUNTRY, PRESIDENT--The Philippines is in good shape and it [words indistinct] to the outside world. This was stated today by the first lady Madam Imelda Marcos, before a 22-man trade and goodwill mission from Honolulu led by Hawaii Governor and Mrs George Ariyoshi who called on her at Malacanang. Mrs Marcos told the delegation that President Marcos is in good health and in high spirits. She also said that the much-publicized demonstrations and rallies in the country should not worry foreign businessmen [words indistinct] manifest their complete freedom and democracy. During their call, the first lady accepted her nomination as chairman of the Confederation of Philippine Exporters. [word indistinct] President Antonio Amor said the leadership of Mrs Marcos in the confederation will intensify exports of Philippine products. [Text] [Quezon City Maharlika Broadcasting System in English 1100 GMT 28 Nov 84]

REQUIREMENTS FOR ECONOMIC RECOVERY--If there is any one factor that could spell the success of the country's national economic recovery program, it is no other than the government itself. This was the main thrust of two separate speeches made on two separate occasions by Education Minister Jaime Laya and UP [University of the Philippines] President Edgardo Angara. For the details here is Luchi Cruz: [Begin Luchi Cruz recording] In his speech during ceremonies marking the opening of a work improvement forum of the Development Academy of the Philippines, Minister Laya said the largest impact on the national economic recovery program could come only from the government, which employs the largest work force. Laya said any productivity program should be implemented through people, and the government's tremendous human resource capability is just waiting to be tapped for this concern. Laya stressed the need to improve the orientation of government agencies to achieve productivity in all ranks. Most of all, he said, government policies need to be reviewed, especially those that hinder private sector initiative. The same thing was pointed out in a separate speech by UP President Edgardo Angara before members of the Thursday Club of Manila this noon. In his talk, Angara called attention to what he called the destruction of the Filipinos' entrepreneurial spirit which had been threatened by a home-grown competition posed no other than by the government. With the government going into business areas such as shipping and construction, which before belonged only to the private sector, the Filipinos' initiative was adversely affected. As a result of this loss of spirit, he said, the private sector is presently hardly in a position to shoulder the burden of national reconstruction. [Text] [Quezon City RPN Television Network in English 1100 GMT 29 Nov 84]

MENDOZA ON ELECTION SYNCHRONIZATION--Member of Parliament (Salakmid) Bateria of Ilocos Sur says any move to synchronize elections for the Batasang Pambansa and the president would require an amendment to the Constitution. Bateria was reacting to a proposal by Justice Minister Estelito Mendoza to hold simultaneous elections in 1990 for the president and members of Parliament. Mendoza said that since the president and the legislators act together, it would be best for them to be elected together. Bateria said any proposal on the synchronization of elections would require a constitutional amendment, to be ratified later on by the people through a plebiscite. [Begin Bateria recording] Any proposal on the matter will not only be a discussion among the members of the Batasan but ultimately it will be a constitutional amendment. It will become a constitutional amendment, and whatever comes out of the Batasan, sitting as a constituent body, will be a proposal to amend the Constitution and therefore will be submitted for ratification by the people of the country by plebiscite. [end recording] [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 30 Nov 84]

MUSLIM REBEL LEADER CAPTURED--The Region 12 Command today said troopers have captured one of the most notorious Muslim rebel leaders. He was identified as Oting Maulangan, alias Commander Alibasbas of the MNLF. Maulangan has long been wanted for various cases including piracy, kidnapping with ransom, and assassinations in Maguindanao Province. The military, assisted by the local integrated civilian home defense force in Cotabato City, arrested the rebel leader in the two of Teksing. Criminal charges have been filed against him. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 30 Nov 84]

INFLATION PREDICTED TO FALL--NEDA's [National Economic Development Authority] Deputy Director General Ramon Cardenas says the inflation rate will definitely go down by the end of the year when demand pressures ease up. Cardenas claims that consumers have already adjusted their consumption levels following the peso float last month. The deputy NEDA chief said the inflation rate would level to around 50 percent next month. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 30 Nov 84]

CSO: 200/217

EDITOR SAYS PREM EMERGES 'FIRMER, STRONGER'

BK280349 Bangkok BANGKOK POST in English 28 Nov 84 p 4

["Keeping Posted" column by The Chongkhadikit: "Power Play Gets Gen Prem's Adrenalin Flowing"]

[Text] Amidst all the rumours of the past few weeks were the obnoxious and ill-intentioned ones concerning the health of the prime minister. While importance was given in some quarters to the rumours about Cabinet reshuffle or military changes--which have not taken place at all--not enough attention was given to the state of General Prem Tinsulanon's physical condition.

The health of the head of government surmounts the political and military situation because nothing can really be done about politics or the military--or the economy, for that matter--if he is in any way incapacitated.

General Prem is strong and healthy, and he has demonstrated that he is already capable of running the government.

He was not suffering from cancer or any other disabling or dangerous or disreputable disease. He did have some sort of clot in one of his lungs but it was not much of a problem.

However, mental stresses placed pressures on his physical well-being.

Imagine how a person's mind would respond when he is caught in the middle of unreconcilable conflicts.

What would you do if your top military leader would like to have his term of office extended beyond official retirement age and if your political supporters are not exactly in favour?

How would you behave if some military elements would like to have the Constitution amended to permit permanent officials--military officers and civil servants--be appointed to Cabinet positions without having first to resign from their official posts and if the political parties forming your government object to the proposal?

How would you react if pro-military politicians would like to recall Parliament into an extraordinary session to debate the devaluation of the baht and if the Cabinet which had agreed on the devaluation refused to have such a session take place?

How would you decide if you are faced with the dilemma of siding with the military where power apparently resides or standing firm on democracy where the people are supposed to have sovereignty under the constitutional monarchy?

Anyone with the sensitivity and sensibility of the prime minister, and imbued with the consuming desire to do only what is right for King and Country, can be so overwhelmed with the overpowering pressures applied upon him to submit to their wishes that he can become sick.

Such an illness is psychosomatic. The state of the mind affects the state of the body, especially when no decision has yet been reached to resolve any of the problems besetting the person concerned.

Thus embattled, any person needs solitude to think it all out. He also needs the selfless advice of wellwishers with no axe to grind.

The way General Prem has remained in power through one crisis after another and year after year, despite predictions of his imminent fall and efforts to make the predictions come true, should show that he does not lack good friends or advisers.

All that talk about General Prem being the "puppet" of the Guru of Suan Phu is just that M.R. Khukrit Pramot simply appreciates Pa Prem, considering him the best prime minister for Thailand (even modestly ranking him over himself), an honest man trying to do an honest job. It was M. R. Khukrit who went on television to defend the devaluation of the baht on the night of the denunciation of the move by a mightily powerful person. Talk of who's "using" whom! (In reality, M. R. Khukrit carried out what he probably considered a most necessary act--to use his prestige and stature to explain the devaluation to the public. In a way, he was upholding the right of a democratic and legitimate government to take what it regarded as a measure important to the national economy.)

With great subtlety and agility, in addition to his reputation for integrity, and with the support of those who have come to know and admire him, General Prem has survived the intricacies of "power play" forced upon him by his opponents. He has been tremendously helped by his refusal to make public statements as to his position on anything until the matter in question has been resolved one way or another. In General Prem's case, silence has proven absolutely golden.

Behind his quiet, unassuming exterior, General Prem has strengthened his power bases. He has touched base everywhere. Only now has it become evident.

Fully assured of total Royal approval, General Prem has returned to Bangkok from what he termed "a rest" with his health seemingly restored. A new Prem has emerged, firmer, stronger, more determined. His close associates have noticed this. He has also certainly made up his mind, the adrenalin having flowed in response to the challenge--and the decisions may become apparent when the timing--his timing--is right.

Yes, today more than ever--there is a man in charge. And he is General Prem Tinsulanon.

COMMENTARY PREDICTS DEFEAT FOR SRV CAMPAIGN

BK281527 Bangkok Voice of Free Asia in English 1030 GMT 28 Nov 84

[Unattributed Commentary: "Vietnam Could Find Its Own Dien Bien Phu"]

[Text] Once again the rumbles and crashes of artillery and the constant crackle of arms fire are heard along the Thai-Kampuchean border. But this year the guns are noisier and the attacks more savage than they have ever been. Moreover, the dry season offensive, although not unexpected, has come earlier than usual. Meanwhile, the Khmer civilians duck, seek shelter, move closer to, or cross the border into Thailand for safety as they continue to witness the heinous crime committed by Vietnam against their tragic country. But this year the Khmer people are also witnessing something very different from the years before. First, they have discovered the will to unity and the resolve to fight back and they are very effective at that. Second, the Vietnamese themselves have shown that they are not invincible despite the greater intensity of efforts and the superiority of equipment. The fact that Nong Chan still stands tall up to now says it best. This is so, regardless of what lies in store for the Khmer resistance forces in the coming days.

Condemnations have poured in from the world over, but as before Vietnam turns a blind eye and a deaf ear on them. The Vietnamese cannot afford to do otherwise. It has never been their proclivity to get out of the stone age or to believe that right makes might and not the other way around.

Thailand itself is also doing well as usual. The Vietnamese took the occasion to stage an incursion into Thai territory and, as usual, they were beaten up, this time more badly than ever. That should teach the Vietnamese some lessons, but of course we know all too well that they would never learn.

This year has certainly not been a good year for Vietnam. Politically, Hanoi has been tasting the bitter pills of defeat time and again in the international arena. Inside Kampuchea it is now evident that the Vietnamese are losing control. Soon there will be no Heng Samrin for the world to hear or read about, because Hanoi decides to do away with him and to reinstall in his place another familiar face after reportedly having been sent away for some reeducation. Of course, it is not in the battlefield where it costs the most, but here also Hanoi has felt it has not fared well all year and it has been able to achieve no more than a statement.

The Coalition Government of Democratic Kampuchea still exists and it will continue to exist. The current campaigns are all the more crucial for Vietnam. So far it can be easily seen that time has not been on its side. The tide could be turned this year and, for the first time in the long history of the Indochina wars, Vietnam could find its own Dien Bien Phu along the Thai-Kampuchean border.

BRIEFS

ASEAN ENVIRONMENT ACCORDS--Four joint agreements were signed last night at the 2d ASEAN Ministerial Meeting on Environment held at the Dusit Thani Hotel. The agreements signed were the ASEAN Environment Programme II, ASEAN Agreement on the Conservation of Nature and Natural Resources, ASEAN Declaration on Heritage Parks and Reserves and Bangkok Declaration on the ASEAN Environment. They were jointly signed by Agriculture Minister Narong Wongwan; Science, Technology and Energy Minister Damrong Lathaphiphat; Brunei Development Minister Dato Abdul Rahman Taib; Indonesian Population and Environment Minister Emil Salim; Malaysian Science, Technology and Environment Minister Datuk Amar Stephen Yong; Philippine Natural Resources Minister Rodolfo P. Del Rosario; Singapore Environment Minister Ong Pang Boon and the Secretary-General of the ASEAN Secretariat, Phan Wannamethi. [Excerpt] [Bangkok BANGKOK POST in English 30 Nov 84 p 5 BK]

PETROLEUM CONCESSIONS TO FOREIGNERS--One American and three European oil-prospecting companies yesterday won Industry Ministry approval for petroleum concessions over three onshore areas and one in the Gulf of Thailand. The four successful bidders, picked by the Petroleum Committee on Wednesday from a total of 12 tenders, are the Thai Shell Exploration and Production Co., BP Petroleum Development Ltd, Forman Petroleum Corp, and Britoil Public Ltd, Co. Industry Minister Op Wasurat, who endorsed the committee's decision, said the selection was made on the comparative terms and benefits the four offered the state in return for the concessions. [Excerpt] [Bangkok BANGKOK POST in English 30 Nov 84 p 3 BK]

ENERGY COOPERATION WITH ITALY--Minister for Science, Technology and Energy Mr Damrong Latthaphiphat presided over the signing of a cooperation agreement between Italy and Thailand for the demonstration of pilot plants for the utilization of biomass energy resources in rural areas recently at the Siam Inter-Continental. The agreement was signed by Secretary General of the National Energy Authority Mr Praphat Premmani and Dr Salvatore Custodero, managing director of Soft Energy Systems of Italy. [Text] [Bangkok THE NATION REVIEW in English 30 Nov 84 p 19 BK]

KAREN REFUGEES--Tak--The France-based Medecins Sans Frontieres (MSF) agency is providing medical training courses for Karen refugees at camps along the Thai-Burmese border in this northern Thai province. Dr Marcel Roux, director of the MSF in Thailand, said yesterday that several refugees have completed

the courses. The Karen refugees were taught about midwifery and some were trained to be doctors' assistants in laboratory. The training programme started in March, Dr Roux said. The Karen medical trainees were a great help to the MSF staff which were reduced from eight to five, he said. Besides the training programme, the MSF also provided medical aid for the 96,000 refugees, the doctor said. [Text] [Bangkok BANGKOK WORLD in English 27 Nov 84 p 3]

CITY ASSEMBLYMEN NAMED--The Cabinet yesterday appointed seven officers of Chulachomklao Royal Military Academy's Class 5 as assemblymen of the Bangkok Metropolitan Administration [BMA]. They are Interior Ministry Secretary Col Loet Phungphat, Central Traffic Commander Pol Maj-Gen Winit Charoensiri, Artillery Regiment Commander Maj-Gen Wirot Saengsanit, Military Circle 1 Commander Sakan Sathityutthakan, Army Operations Department Commander Maj-Gen Suchinda Khraprayun, Cavalry Regiment Commander Maj-Gen Ariya Ukhotkit and First Army Division Commander Maj-Gen Itsaraphong Nunphakdi. A total of 45 assemblymen have been appointed following last month's resignation of former governor Adm Thiam Makaranon and a revamp of the BMA administration. [Text] [Bangkok BANGKOK POST in English 28 Nov 84 p 3]

CHARGES AGAINST SULAK DROPPED--The Bangkok Military Court yesterday dropped a lese majeste case against social critic Sulak Siwarak and two others after the public prosecutor withdrew charges against them. Mr Sulak and two codefendants--printing house owner Kittti Sitthichindachok and Chittakon Tangkasemsuk, a lecturer of Udon Thani Teachers Training College--did not object to prosecutor Direk Sunthonket's request to withdraw the lese majeste charges. No reason was given by the prosecutor for his move. One of the defence lawyers, Magasaysay award winner Thongbai Thongpao, said yesterday that the lese majeste case was final and could not be revived against the three men. Mr Sulak refused to comment on the retraction, simply saying "I am not in the position to say anything." Public Prosecution Director-General Suchin Thimsuwan also declined any comment. [Excerpt] [Bangkok BANGKOK POST in English 1 Dec 84 p 1]

CSO: 4200/241

MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM-KAMPUCHEA BORDER UNIT WINS HEARTS, MINDS OF PEOPLE

Hanoi QUAN DOI NHAN DAN in Vietnamese 7 Oct 84 p 2

[Article by Ngo Quang Nien: "Success of A Task Unit"]

[Text] Not unexpectedly, the cross-border task unit of the Tan Phu border guard unit (Tay Ninh) receives words of praise: "This military exploit belongs to all the men" or "Vietnamese troops are devoted to the Kampuchean people." But the soldiers in the unit all profoundly understand that the military exploits the unit has achieved stem from the unit's winning the confidence of the people.

Most of the area of operation of the Tan Phu post's cross-border task unit is dense jungle, thinly populated, and difficult to travel by road. Virtually all the families in this area previously had husbands and children who were either soldiers in or worked for the Pol Pot regime. Now, over one-third of the families have husbands and children who ran into the jungle to join the enemy and who return to harass and disrupt the peaceful life of the people. The most daring and foolhardy operations are by two groups headed by Bo and by Ong and Ung. The administration and people here are very worried. One day the cross-border task unit was building a home for a very poor family in Ta Am hamlet. The owner of the home was a woman about 40 years old. She looked haggard. Her four children were thin and tattered. The home had gone through two rainy seasons and had completely fallen apart. Thiet, deputy commander of the post and concurrently commander of the unit, was standing below putting up thatch when an old man named Khon Phay asked, "You are Vietnamese troops yet you also do this sort of thing? No one wants to help them here. Bo, the husband, has run off to join the aggressor. They continue to supply rice and salt to him and his gang so they can return and harass the hamlet."

Thiet stopped to listen to his words of indignation. When he had finished, Thiet explained considerately. "Sir. These children have known that this family has someone who ran off to join the enemy and that this person is the leader of a bandit group. But looking at this dilapidated house and those emaciated kids, how can one sit idly by? You need to save these pitiful children. Her husband has joined the aggressor, but she hasn't and, especially, her children haven't suffered this misfortune. In this area she is not alone. There are many in her situation and they don't abandon their husbands and children one morning or afternoon. And they still are hopeful their husbands and children will return to the family, to the people whom they accept the right. The revolution's

policy has never been to take revenge against someone who returns from the ranks of the enemy. Their relatives should not be mistreated but rather helped, like everyone else."

Mr. Khon Phay listened to comrade Thiet's explanation while staring at the woman who was weeping and sobbing. The tears seemed to want to speak to the grief of the mother and children and to express gratitude to the revolution and appreciation to the cadres and soldiers of the Vietnam People's Army which had thoroughly understood her feelings.

Thiet had just finished talking when Mr. Khon Phay said to him, "Now we understand. We will tell everyone. Thank you. A number of our people thought mistakenly that you had been induced into this by an evil gang. We will expose it."

Old Khon Phay lives close to the home of Bo's wife. His entire family had previously been very cold and indifferent to this family. Through the discussion with Thiet he gradually became their close friend. He mobilized everyone to help other families in these same circumstances. The atmosphere in the hamlet became warm and friendly. The expressions on the faces of those with husbands and children following the enemy are now happy. Some people have loosened up to talk about their families' innermost secrets. Mrs. Ung Huong's child, who joined the enemy, was suffering from malaria and near death but did not dare return home for treatment. She boldly spoke up. The men in the unit gave medicine and encouraged her to bring her child back home for treatment. And her child recovered.

Through the child of Mrs. Ung Huong the men gave medicine for treatment and wrote letters appealing to the misguided to return to families and the people and promising protection of their life.

Mrs. Ung Huong's child entered the jungle to relate what his ears and eyes had heard and seen, and converted many people in the enemy's ranks. From this, one after another of 20 families came to report to the local authorities, requesting that their husbands and children turn themselves in. The misguided who returned are increasingly impressed with the tolerant and humane policy of the revolution.

One day the guerrillas and troops of Karet District were setting up an ambush at the edge of the jungle when they spotted an armed enemy group. When the entire enemy group fell into the ambush, the men saw something strange -- the weapons were all pointed down to the ground. The commander yelled out to surrender and instantly the entire 15-man group obediently turned over the weapons.

The group said, "We were looking for the Vietnam border guard post to surrender when we ran into you."

This is the result of the effort to proselytize the masses and enemy soldiers carried out by the cross-border task unit of the Tan Phu post together with the Kampuchean friends which has called back to the people 50 enemy from the hamlets of Ta An, San Tay, Klechkhao, and Om Bo.

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CSO: 4209/59

MILITARY AFFAIRS AND PUBLIC SECURITY

EDITORIAL URGES IMPROVED MATERIAL MANAGEMENT IN ARMY

Hanoi QUAN DOI NHAN DAN in Vietnamese pp 1,4

[Editorial: "Build Basic Party Organization in the Technical Material Management Unit"]

[Text] The effort to ensure that technical materials serve living conditions, building and combat has great significance for reinforcing the fighting strength of our army. In this regard, primary level units are directly in charge of dispatching, receiving, preserving, distributing, and allocating technical materials to the troops, and the basic party organization has the heavy responsibility first of all.

Recently, many basic party organizations in technical material management units, in carrying out the policy of building clean, strong basic party organizations which serve as the backbone for building strong units overall with high fighting strength, have emphasized perfecting party echelons, seriously maintaining party activities, managing party members, deeply involving themselves in leading units that manage technical materials in accordance with the line, viewpoint, and principles of the party, the laws of the state, and the procedures and stipulations of the army. The dispatch, receipt, preservation and allocation of technical materials have made progress and things that have been contrary to functions, tasks, principles and stipulations have been stopped or overcome.

However, these good acts are neither uniform nor widespread and the effect remains low. The basic party organization in technical management units also has many deficiencies which have a direct effect on carrying out the main task of the unit and some impact on the fighting strength of the troops.

To ensure that technical material management units fulfill their heavy responsibility, the problem presented to basic party organizations here is to build party chapters and ranks of party members and cadres who are strong politically, ideologically, and organizationally, and who truly symbolize the fighting strength of the basic party organization and the communist virtue of party members and cadres within the technical material management sphere. Each party organization, party chapter, party member, and cadre should firmly grasp the basic political characteristics, position, and tasks of the unit and the requirements which must be satisfied in carrying out technical material management strictly in accordance with the party line, viewpoint, and principles, state laws, and army procedures and stipulations.

The important thing upon which the basic party organization should concentrate leadership is to ensure that the dispatch, receipt, preservation, and distribution of technical materials through planning organization, transportation unit, storage facility, and production and processing segments are as planned, in the correct amount, and in precise accordance with principles, systems, objectives, standards, and schedules.

To fulfill their functions, organizations, cadres and personnel that do technical material management work must have high revolutionary virtues, have professional and specialized capabilities in command and management, and firmly understand principles and procedures in order to receive, preserve, distribute, and allocate correctly. In actuality, however, we note that people generally make errors and have shortcomings in managing technical materials primarily because their political abilities are not sound, their sense of responsibility is deficient, and they are tempted by the materials, which gives rise to selfishness, corruption, swindling, and so on. Consequently, the matter of prime importance now is to bolster the virtue of cadres and personnel who do technical material management work. We should educate and build in everyone, the party members and cadres first of all, a correct support outlook and clearly define the primary tasks and objectives of their work which are: to ensure that troops have good living conditions and that there are sufficient material and technical conditions to build forces, combat, and successful combat.

Each person must take complete responsibility for maintaining and protecting technical materials, ensure that losses are kept to a minimum, and thoroughly understand and execute state laws and technical material management principles and procedures with high organizational concepts and discipline.

For party members and cadres, we should specifically employ the five tasks of the party member in the functions assigned when establishing plans as well as when reviewing party member qualifications. From the basic party organization to party chapters, from the party committee secretary, commander, and political deputy commander to each party member, all must clearly define their leadership responsibility to the unit. Each party member must firmly understand how the dispatch, receipt, preservation, and distribution of the unit's technical materials are. There is nothing about which the leader is permitted to say "I don't know." He must clearly understand the situation, distinguish right from wrong, resolutely protect the right and resist the wrong, and struggle immediately within himself and from within the party to the masses in an effort to ensure satisfactory implementation of technical material management and support to troops as Uncle Ho instructed: "Regarding soldiers, we must look after them and somehow give them enough to eat and wear, enough weapons and ammunition, enough medicine, and so on. A bowl of rice, a bag of currency, a tablet, a tablet of medicine, an inch of cloth must go directly to the soldier..."

The responsibility of technical material management and support to troops is not confined only to units specialized in financial rear services but is also an important matter even in combat units, organizations, schools, production, etc. For this reason, rear services work, even in the smallest unit, there is the task of receiving, preserving, and allocating technical materials to troops, and this work must be kept well. This is not only the job of the rear service

the supplier but also is, principally, the important job of the leadership and command level. The party chapter, the party chapter committee, the commander, and each party member has the responsibility: to set the example, satisfactorily perform, control and supervise rear services work, ensure by every means possible that troops are supported precisely in accordance with the party viewpoint, and receive sufficient and proper quantities in good quality which meet material and technical standards; on the other hand, to democratically only hold discussions on the use and distribution of the material goods turned out by the unit's efforts.

In the technical material management unit, obviously the prime leadership task of the basic party organization is to provide good leadership in technical material management. The basic party organization must be strongly and cleanly built with a view toward this basic political task: thoroughly understand party viewpoints, state laws, and army procedures and stipulations, and the viewpoint of unconditional support to the troops; practice thrift and honesty, and justice without partiality; combat waste, corruption, localism, selfishness, etc.; resolutely struggle against improper business dealings, skimpiness, etc. Such a basic party organization will surely lead units to overcome weaknesses and deficiencies and rise up to fulfill the responsibility of a trusted rear services person in the army.

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CSO: 4209/59

MILITARY AFFAIRS AND PUBLIC SECURITY

REGULATIONS FOR MILITARY CONTROL STATIONS OUTLINED

Hanoi QUAN DOI NHAN DAN in Vietnamese 1 Oct 84 p 2

[Article by Pham Thanh Chuong: "On Establishing Military Control Stations on Lines of Communication"]

[Text] To strengthen market management, combat speculation and black marketing, protect political security, public order and social safety, ensure safety and uninterrupted traffic and, at the same time, not cause obstacles and inconvenience, or impede the travel of people, cadres, and troops and circulation of goods, the chairman of the Council of Ministers has issued implementation guidance directive no 119/CT-TN dated 23 July 1984, which stipulates establishment of control stations on the lines of communications aimed toward ending the arbitrary establishment of control stations along roads.

- Article 1: Decision no 78 stipulates that the establishment of control stations on main national interprovincial axes (including roads, waterways, and railroads) must be decided by the chairman of the Council of Ministers. Guidance directive no 119 of the General Staff prescribes unified implementation throughout the army: If control stations on national interprovincial roads organize inspection intersector with army forces involved as participants, it is under the purview of the given military region and military control cadres and soldiers with authority to be involved are assigned by that military region but must be carefully trained, closely managed and directly guided operationally and, at the same time, approved and accredited by the General Staff.

- Intersector control stations on main intraprovincial roads (provincial roads) must be decided by the provincial people's committee. If it requests army forces to be involved as participants, the provincial military organization assigns military control cadres and soldiers with authority to be involved and to directly manage and guide operations. Depending on military duties and the requirements of the provincial people's committee, the military control forces may participate in regular operations or may only assign forces to be involved in a given stage or period.

Military control forces within the intersector control organization of the stations must be commanded and operationally guided by the army and only control their own sector forces (military personnel and vehicles).

- The establishment of military control stations to maintain discipline and order of military personnel within the confines of an area where troops are stationed (the order on stationing sentries) or in public places where many military personnel come and go (e.g., airfields, wharfs, ports, borders, railroad depots, and bus depots) on assignment by the headquarters of the area where sentries are stationed or by the local military organization, can still be done but do not perform traffic control duties or stop vehicles to inspect and confiscate goods. Only in instances of discovering military transportation equipment being used for hire, the unauthorized transportation of passengers, the transportation of smugglers and illegal actions can there be control and action taken. Control and actions taken must be done in strict accordance with article 3 of Decision no 78. The time for holding the vehicle and people must be kept brief and confiscation of driver's licenses must be severely limited except in instances in which the driver has made a serious violation, caused an accident, or it is determined does not meet standards or qualifications for continuing to drive the vehicle. Then the driver's license can be confiscated and the driver's unit notified immediately to come and handle the case.

Therefore, control stations (including military control stations) that are established in violation of the Council of Ministers' Decision 78 must be abolished.

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CSO: 4209/59

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

BUDDHIST DEMANDS TRIAL--The Unified Buddhist Church of Vietnam in France reports that the Venerable Thich Quang Do, Secretary General of the Buddhist Church of Vietnam, who has been under detention since March 1962, has sent a letter to the authorities in Hanoi demanding a trial. Following his arrest in Ho Chi Minh City Thich Quang Do was transported to a distant village where he has been held for the last 3 years. In his letter the Venerable Thich Quang Do stated "Up till this very day I do not know what I am guilty of and the reason why I am not a good citizen.... Please put me on trial as soon as possible so that I can know what crime I have committed..." [Text] [Paris LE MONDE in French 23 Nov 84 p 6]

CSO: 4219/16

INTERNATIONAL RELATIONS, TRADE AND AID

NHAN DAN HAILS 5TH SKDA SOCCER TOURNAMENT

OW051135 Hanoi VNA in English 0702 GMT 5 Dec 84

[Text] Hanoi, 5 Dec (VNA)--Under the title "For the Success of Fraternal Friendship and the New Sportsmanship," NHAN DAN in its editorial today warmly welcomes the 5th SKDA [Sportivnyy Komitet Druzhestvennykh Armiy--Sports Committee of Fraternal Armies] soccer tournament among the armies of socialist and national independent countries which will open today at stadiums throughout the country.

The paper says: "The Vietnamese people and army heartily greet the more than 300 players of 13 army teams of fraternal and friendly countries who have come to Vietnam on these stirring days of the preparations for the 40th founding anniversary of the Vietnam People's Army (22 December)."

The paper stresses that the aim of the SKDA soccer tournament, as written in its statute, is to enhance the friendship and militant solidarity among the armies and peoples of fraternal and friendly countries, as well as to improve the football standard in each country.

NHAN DAN describes the tournament this time as an event of high political significance since it is the greatest international sport meet ever organized in reunified and socialist Vietnam. It is also an expression of the close militant solidarity between the armies of friendly countries which are together fighting for peace, national independence, democracy and social progress, against the imperialist, expansionist and reactionary forces. It will be an important contribution to the movement of "staying fit to build and defend the country" and also a practical preparation for the first national physical cultural and sport festival next year, the paper notes.

CSO: 4200/248

INTERNATIONAL RELATIONS, TRADE AND AID

BULGARIAN CULTURE DAYS OPEN WITH MASS MEETING

OW051938 Hanoi VNA in English 1807 GMT 5 Dec 84

[Text] Hanoi, 5 Dec (VNA)--A mass meeting was held here tonight by the Ministry of Culture to inaugurate the Bulgarian Cultural Days (BCD) in Vietnam.

Among those present on the occasion were Nguyen Van Hieu, minister of culture, Nguyen Ngoc Triu, member of the Communist Party of Vietnam Central Committee and president of the Vietnam-Bulgaria Friendship Association; Ha Xuan Truong, alternate member of the CPV Central Committee and head of the CPV Commission for Art and Culture; Cu Huy Can, minister in charge of artistic and cultural works at the Council of Ministers' office; and Nong Quoc Chan, vice minister of culture and head of the organizing committee of the BCD in Vietnam.

Among the guests were the visiting delegation of the Bulgarian Culture Committee led by its vice president, Prof. Peyo Berbenliyev, Bulgarian ambassador to Vietnam Philip V. Markov and the Bulgarian cinema workers' visiting delegate Stoyan Enev.

Speaking on the occasion, Nong Quoc Chan exalted the fine development of Vietnam-Bulgaria cultural relations and noted that the organization of Bulgaria's cultural days in Vietnam on the occasion of the 40th anniversary of the BPR's National Day marked a new development in cultural cooperation between the two countries.

The minister expressed gratitude to the party, government, the cultural services and the people of the Bulgaria for their strong support and valuable assistance to the Vietnamese people's revolutionary struggle in the past and at present.

Peyo Berbenliyev expressed his joy to visit Vietnam and attend Bulgaria's cultural days in Vietnam which, he said, marks a new development in the cultural relations between the two countries.

He said he was convinced that Bulgaria's cultural days in Vietnam will be crowned with success due to the long-standing friendship between the two countries.

CSO: 4200/248

INTERNATIONAL RELATIONS, TRADE AND AID

DEFENSE OFFICIALS WELCOME INTERNATIONAL ATHLETES

OW051950 Hanoi VNA in English 1813 GMT 5 Dec 84

[Text] Hanoi, 5 Dec (VNA)--The fifth SKDA soccer tournament opened in Vietnam tonight at five major stadiums: in Hanoi, Haiphong, Danang, Ho Chi Minh City and Can Tho.

Over 30,000 fans packed the Hanoi stadium to watch the opening ceremony and the first match, between the Lao army and the GDR army teams.

Present at the event were General Van Tien Dung, Political Bureau member of the Central Committee of the Communist Party of Vietnam and defense minister; General Chu Huy Man, Political Bureau member of the CPV Central Committee and director of the General Political Department of the Vietnam People's Army, General Hoang Van Thai, member of the CPV Central Committee and deputy defence minister; Senior Lieutenant General Le Trong Tan, member of the CPV Central Committee, deputy defence minister and chief of the VPA's general staff.

At 19:00 hours Hanoi time, 14 sidecars rolled in through the main gate of Stand B, carrying 14 national flags of participating countries: Angola, Poland, Bulgaria, Kampuchea, Cuba, the German Democratic Republic, Hungary, Iraq, Laos, the Soviet Union, Mozambique, Czechoslovakia and Vietnam (according to the Vietnamese alphabetical order).

Next came two groups of honour officers carrying the flag of the SKDA organization, the SRV's national flag, and the symbol of the 5th SKDA soccer tournament.

The GDR and LPDR army teams which were to play the opening match, marching behind their national flags, followed suit and lined up in the centre of the pitch. As the army band struck Vietnam's national anthem, the SRV's national flag and the SKDA flag were hoisted.

In his opening speech, Senior Lieutenant General Le Trong Tan warmly welcomed the teams of friendly countries to the fifth SKDA soccer tournament held in Vietnam on the occasion of the 40th anniversary of the Vietnam People's Army.

He expressed gratitude to the defence ministries of the friendly countries for having sent their teams to this tournament. He wished the guest teams good health and highest success during their stay and contest in Vietnam.

In his speech, a colonel, on behalf of the SKDA Standing Committee, expressed profound gratitude to the Vietnamese Defence Ministry and the tournament's organizing committee for their warm reception, hospitality and good preparations for the games.

This tournament, he said, with the participation of 14 countries, is an expression of militant solidarity with the glorious army of the Vietnamese people.

CSO: 4200/248

INTERNATIONAL RELATIONS, TRADE AND AID

CULTURE MINISTER, BULGARIAN ENVOY TOAST FRIENDSHIP

04062316 Hanoi VNA in English 1516 GMT 6 Dec 84

[Text] Hanoi, 6 Dec (VNA)--Bulgarian Ambassador Philip V. Markov gave a reception here today on the occasion of the Bulgarian cultural days in Vietnam.

Members of the Bulgarian culture committee delegation led by its vice president, Prof. Peyo Berbenliyev, the Bulgarian photographic and art delegations, which are visiting Vietnam, attended the reception.

His Vietnamese guests included Nguyen Van Hieu, minister of culture; Nguyen Bao Triu, member of the Communist Party of Vietnam Central Committee and president of the Vietnam-Bulgaria Friendship Association; Ha Xuan Truong, alternate member of the party Central Committee and head of its department for culture and arts; and Nong Quoc Chan, vice minister of culture and head of the organizing committee of the Bulgarian cultural day in Vietnam.

Ambassador Philip Markov and Minister Nguyen Van Hieu highly appreciated the opening of the Bulgarian cultural days in Vietnam, regarding it as a good opportunity to acquaint the Vietnamese people with the Bulgarian culture and also as a vivid expression of the friendship, cooperation and cultural exchange between the two countries based on the Bulgaria-Vietnam treaty of friendship and cooperation.

In a cordial atmosphere, Ambassador Philip Markov and Minister Nguyen Van Hieu proposed toasts to the further development of the friendly relations and cooperation, particularly cultural cooperation, between Bulgaria and Vietnam.

CS01 42001/248

INTERNATIONAL RELATIONS, TRADE AND AID

WIPO DELEGATION ARRIVES, MEETS SRV OFFICIALS

OW070753 Hanoi VNA in English 0659 GMT 7 Dec 84

[Text] Hanoi, 7 Dec (VNA)--A delegation of the World Intellectual Property Organization (WIPO) led by its director general, A. Arpad Bogisch, visited Vietnam on 5 and 6 December at the invitation of the chairman of the State Commission for Science and Technology.

While here, the delegation, which included Deputy Director General Lev. Kostikov, paid tribute at the Ho Chi Minh Mausoleum and visited the late president's home and office.

A. Bogisch had working sessions with the host commission, inquired about the activities of the innovation service and the industrial property work in Vietnam, and toured many cultural establishments and scenic spots in Hanoi.

A. Bogisch was received by vice chairman of the Council of Ministers Tran Quynh, with the vice chairman was vice chairman of the host commission, Doan Phuong.

Tran Quynh thanked the WIPO and the director general personally for their assistances to Vietnam and expressed his wish for further development of the cooperation between the WIPO and Vietnam.

A. Bogisch was also received by Foreign Minister Nguyen Co Thach.

On 6 December he attended the opening here of a course on trade marks jointly sponsored by the innovation department, the WIPO and the UNDP.

CSO: 4200/248

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

LE DUAN VISITS GIA LAM--Hanoi, 2 Dec (VNA)--Le Duan, general secretary of the Communist Party of Vietnam Central Committee, recently visited Da Ton village in Hanoi's suburban district of Gia Lam. Accompanied by Tran Vi, member of the party Central Committee and chairman of the Hanoi People's Committee, he was welcomed among others by Hoang Vu, secretary of the Gia Lam District Party Committee, and Nguyen Van Thi, secretary of the Da Ton Village Party Committee. During his tour, General Secretary Le Duan visited an azolla field, [as printed] a retired health worker's family, an export woolen carpet establishment and a creche. [Text] [Hanoi VNA in English 1511 GMT 2 Dec 84]

GREETINGS TO IVORY COAST--Hanoi, 6 Dec (VNA)--President of the State Council Truong Chinh has sent a message of greetings to President Felix Houphouet Boigny on the 24th National Day of the Republic of the Ivory Coast. The message says: "I wish the people of the Republic of the Ivory Coast new achievements in maintaining national independence and building a prosperous country." [Text] [Hanoi VNA in English 1511 GMT 6 Dec 84]

FINLAND HONORED--Hanoi, 6 Dec (VNA)--Finnish Ambassador Esko Lipponen and Mrs Lipponen gave a reception here today on the 67th anniversary of their country's independence day (6 December). Present on the occasion, among others, were Dong Sy Nguyen, vice chairman of the Council of Ministers; Chu Tam Thuc, minister of finance; and Vo Van Sung, assistant foreign minister. Members of the diplomatic corps and representatives of international organizations in Vietnam attended the reception. Ambassador Esko Lipponen and Vice Chairman Dong Sy Nguyen proposed toasts to the Finnish people's glorious day and to the constant consolidation and development of the friendship and cooperation between Vietnam and Finland. [Text] [Hanoi VNA in English 1509 GMT 6 Dec 84]

SWEDISH ASSISTANCE--Hanoi, 6 Dec (VNA)--Sweden will continue its material assistance to Vietnam in the paper and pulp industry, forestry, health care, power supply, communications and transport and other fields. This is stipulated in the Vietnam-Sweden economic cooperation agreements for 1985-87 and 1985-90 reached during working sessions between the Vietnamese and Swedish International Development Agency (SIDA) delegations in Hanoi from 1-6 December. The Vietnamese delegation was led by Vice Minister for Foreign Trade Hoang Trong Dai and the SIDA delegation by its deputy director general, Petter Narfstrom, who signed the minutes on the results of the two delegations' work. [Text] [Hanoi VNA in English 1520 GMT 6 Dec 84]

CZECHOSLOVAK HEALTH DELEGATION--Hanoi, 5 Dec (VNA)--Czechoslovak health delegation, led by Prof. Emil Matejcek, health minister of the Slovak Socialist Republic, concluded its six-day visit to Vietnam yesterday as guest of minister of health, Prof. Dr Dang Hoi Xuan. While here, the delegation paid floral tribute at the Ho Chi Minh Mausoleum and was warmly received by Tran Quynh, member of the Communist Party of Vietnam Central Committee and vice chairman of the Council of Ministers. It held talks with a host delegation led by Minister Dang Hoi Xuan on health and medical cooperation between Vietnam and Czechoslovakia in the coming years. The delegation toured a number of health services, cultural establishments and historical relics in Vietnam. [Text] [Hanoi VNA in English 1608 GMT 5 Dec 84]

GREETINGS TO FINLAND--Hanoi, 5 Dec (VNA)--President of the State Council Truong Chinh has sent warm greetings to his Finnish counterpart Ouno Kovisto on the 67th independence day of the Republic of Finland (6 December 1917). The message wishes the Finnish people happiness and prosperity and the existing fine relations between Vietnam and Finland constant consolidation and development. [Text] [Hanoi VNA in English 1758 GMT 5 Dec 84]

DOLGIKH INDOCHINA VISIT--Hanoi, 3 Dec (VNA)--The Soviet paper IZVESTIYA on 1 December highly values the result of the recent visit to Indochina made by the USSR Supreme Soviet delegation headed by V. I. Dolgikh, alternate Political Bureau member and secretary of the Communist Party of the Soviet Union Central Committee, and deputy to the Supreme Soviet of the USSR. The paper says: "The visit marks a new step in the development of the Soviet and Indochinese people's friendship and of their close solidarity. This friendship has become our common invaluable property and has a long history. It has been tested in the three Indochinese people's staunch struggle against the colonialist and imperialist aggressors for national independence. Our bilateral relationship has been broadened and assumed ever richer contents." The paper notes that at the bilateral talks between the Soviet delegation and the Vietnamese, Lao and Kampuchean delegations identity of views were reached on all important international issues. The two sides strongly condemned international reaction and the imperialists, especially the expansionists and hegemonists, for plotting to turn Asia into a hotbed of tension and military conflicts. The Soviet delegation voiced its protest against the reactionaries in the Thai ruling circles for their provocation against the Lao People's Democratic Republic and its full support for the peace initiatives put forth at the summit meeting on February 1983 and at various conferences of the foreign ministers of the three Indochinese countries, considering this to be a sound basis for a solution to the disputes in the region. [Text] [Hanoi VNA in English 0910 GMT 4 Dec 84]

INDOCHINESE YOUTH GATHERING--Hanoi, 3 Dec (VNA)--A meeting was held this evening by the Hanoi Committee of the Ho Chi Minh Communist Youth Union (HCYU) to welcome the success of the third Phnom Penh-Hanoi-Vientiane youth meeting of friendship and solidarity held in Phnom Penh from 22 to 27 November. Present at the meeting were representatives of the Hanoi Committee of the Communist Party of Vietnam, the HCYU Central Committee and various public offices and mass organizations in Hanoi. Representatives of the embassies of the People's Democratic Republic of Laos and the People's Republic of Kampuchea here also attended the

the meeting. Addressing the audiences, Tran Van Tuan, acting secretary of the Hanoi Committee of the HCYU and head of the Vietnamese youth delegation to the recent friendship and solidarity meeting in Phnom Penh said that the success of this meeting has greatly contributed to strengthening the traditional solidarity and friendship among the three peoples of Vietnam, Laos and Kampuchea. [Text] [Hanoi VNA in English 0943 GMT 4 Dec 84]

POLISH SYMPATHY--Hanoi, 3 Dec (VNA)--Wojciech Jaruzelski, first secretary of the Polish United Workers' Party Central Committee and chairman of the Council of Ministers of the Polish People's Republic on 22 November sent a message of sympathy to Vietnamese leaders over the losses caused by recent floods and typhoons. The message was addressed to Le Duan, general secretary of the Communist Party of Vietnam Central Committee (CPVCC) and Pham Van Dong, Political Bureau member of the CPV Central Committee and chairman of the Council of Ministers. It says: "The Polish people are very sorry to hear that the recent typhoons have caused heavy losses in lives and property to people in many localities in Vietnam. "On behalf of the Polish party, state and people, I would like to express my deep sympathy to the party, the government and people of Vietnam and to the typhoon victims and their families. I am strongly confident that the Vietnamese people, under the leadership of the CPV and enjoying the solidarity and assistance from the socialist countries and the world people, will overcome all consequences of the natural calamity." [Text] [Hanoi VNA in English 0946 GMT 4 Dec 84]

U.S. MILITARY AID TO THAILAND--Thailand is continuing to allow the United States to use its territory for war preparation activities. There are five major U.S. air and naval bases in Thailand at present. Prime Minister Prem's administration is relying more on U.S. aid, especially military aid. This year the United States is providing Thailand with \$200 million of military aid, or \$120 million more than last year, to enable it to purchase 40 additional M-48 tanks, a large number of F-16 aircraft, and other military equipment. In addition to this aid, Thailand has spent a lot of money to purchase more weapons from the United States. [Text] [Hanoi Domestic Service in Vietnamese 1300 GMT 18 Nov 84]

CSO: 4209/82

PARTY ACTIVITIES AND GOVERNMENT

ORGANIZATION DEPARTMENT OFFICIAL CALLS FOR STRONG DISTRICT PARTY ORGANIZATIONS

Hanoi NHAN DAN in Vietnamese 19 Oct 84 p 3

[Party Building column by Le Duc Binh, deputy chief of the Organization Department of the Party Central Committee: "Building the Party as Part of the Task of Building the District"]

[Text] The process of working to gradually build districts that have an agro-industrial economic structure and develop the district level into a level that has its own plan and budget is, of necessity, also the process of the district party organization and district corps of cadres being challenged, being forged and maturing in many respects, in terms of their revolutionary will, economic management standards and knowledge, practical knowledge, their style of working closely with installations and their ability to lead, organize and manage. Within the districts, the theme, guidelines and objectives of party building must be to build the district and strengthen the district level.

On the other hand, every effort must be made to build and solidify the district party organizations, the leadership core and the pivotal militant force in the work of building the district. It is impossible to achieve success in the building of districts without simultaneously giving attention to building the party, to building a large and strong corps of district cadres.

On the basis of thoroughly understanding the line, guidelines and task regarding party building that have been set forth in the resolutions of the 4th and 5th Congresses and the resolutions of numerous party plenums, we must continue to promote the building of strong and solid district party organizations in accordance with the requirements and specifics set forth in Secretariat Directive Number 24, considering this to be the most general task we confront in party building within the districts.

The main jobs that must be performed are:

1. Intensifying the effort to build strong, solid and pure basic party organizations in a manner closely tied to building and strengthening the basic production, business, administrative and work units within the district.

The most important experiences gained in the building of strong and solid district party organizations in the recent past have very clearly proven that a strong district originates in strong installations, that building the district must be tied to and based on the building of installations and that the building of installations must be considered an element of decisive importance in the building of the district. Of course, to establish strong installations, it is necessary to build the district. The purpose of a strong district is to guide the building of strong installations and coordinate and establish ties among the installations within the district.

In this spirit, building strong, solid and pure basic party organizations must be considered the element of foremost importance in the building of a strong and solid district party organization. Although we have recorded a number of advances and achievements in this regard in recent years, there are still some problems that must be resolved.

The building and strengthening of basic party organizations must first be closely tied to upholding the right of collective ownership of the working people, carrying out the three revolutions and performing political tasks at installations. Basic party organizations must be helped to understand the line of the party, recognize the specific conditions of the unit (labor, land and so forth), establish guidelines, endeavor to express these guidelines in the form of detailed planning and plans of the sector or unit, learn the management system and policies and tap the dynamism, initiative and creativity of the installation combined with assistance from the upper level in order to complete the installation's political task well.

The strengthening of village party organizations must be carried out in a manner closely tied to strengthening the government, the cooperative and the mass organizations. At places that are of strategic importance from the perspective of national defense and security, it must also be closely tied to the strengthening of the militia and public security forces.

In addition to concerning ourselves with strengthening the village party organizations, attention must also be given to building and strengthening the party organizations within the corporations, cooperatives, enterprises, stations, farms, etc. Here, in conjunction with upholding the role of the manager in the management of production and business, the basic party organization must properly fulfill its function of leading party members and the collective of workers in emulating to complete their task, inspecting compliance with the economic and financial management principles and regulations of the state by the manager and management agency and promptly uncovering and struggling against violations of policies and regulations that cause capital or materials of the state to be lost or wasted.

It is necessary to examine and assess the situation at installations. Strong, solid and good installations must be given assistance in adopting guidelines for maintaining their achievements and continuing to make progress. As regards weak and deficient installations, especially at places that are of strategic importance from the perspective of national defense and security, are important from a political or social perspective or have many undeveloped potentials, efforts must be focused on providing guidance and adopting plans

to strengthen these units in order to gradually reduce the number of weak and deficient installations and eventually reach the point where no such installations exist. This will have the effect of advancing the district's movement in a uniform and steady manner and be of important political, national defense and economic significance.

The experience that has been gained in restoring weak and deficient installations is quite broad. Of decisive significance is the need for concerted guidance, high determination and the establishment of a concrete division of labor by putting the key leaders of the district personally in charge of guiding the effort to strengthen weak and deficient installations.

We must continue to review the assignment of installation core cadres and assign them correctly. Once they have been correctly assigned, they must be provided with close assistance and training in order to promptly correct their weaknesses and enable them to perform their jobs and make progress. In weak villages where core cadres are weak, we must take the decisive step of sending cadres of the province or district who are zealous and experienced in work at installations to provide assistance and, depending upon the conditions existing at each place, to participate in the apparatus of the village or we must establish work teams to strengthen installations.

Party chapters must be strengthened (at production units, production collectives...) so that they are truly the basic fighting unit of the party. Within villages, a party chapter should not be established within the village agency, as some localities have done; every party member who is a village cadre must be a member of the party chapter of a production unit or hamlet, thereby bringing them close to the masses. The party chapter must manage party members well, educate them well and raise their political awareness so that they firmly adhere to the working class stand and are steadfast in the struggle between ourselves and the enemy and the struggle between the two paths. Attention must be given to maintaining and cultivating revolutionary qualities and virtues, practicing serious criticism and self-criticism and struggling against negative phenomena, such as the failure to strictly comply with lines and policies; embezzlement and theft; seeking personal gain; violating the right of ownership of the people... At the same time, party members must be given proper assignments to insure that every party member engages in a specific revolutionary activity and to forge and inspect the character of the party member through this activity.

The growth of the party must be accelerated by bringing outstanding persons in the revolutionary movement of the masses into the party, especially members of the working class, scientific-technical cadres, youths, women and ethnic minorities, with attention to installations at which the forces of the party are now very thin.

Through the performance of political tasks, we must continue to re-examine and expel from the party unqualified members, beginning with degenerate, deviant elements, embezzlers, thieves and persons who intimidate the masses. In some areas, very much importance must be attached to maintaining political purity within the party and within state agencies.

2. Continuing to assign more cadres to the district level and accelerating the training of the corps of district cadres.

To begin with, we must re-examine and correctly evaluate existing cadres and properly assign and make good use of the existing corps of cadres in the districts. This corps, which is not small, has received more than a small amount of training and experienced considerable challenges in their day to day work. However, there are still cases in which the evaluation of cadres is incorrect and their use is irrational. The cadre potentials of the districts are still quite large but they have not been fully developed. We must boldly promote new, young cadres who have been challenged in practical work, complete their tasks well, possess revolutionary zeal, display dynamism and creativity and dare to adopt the new way of thinking and working on the basis of firmly adhering to the lines and viewpoints of the party.

We must continue to send more cadres from the upper level to the districts, especially key districts and districts that are important from an economic and national defense standpoint that now lack cadres. Most importantly, we must redistribute cadres within the scope of each province and reassign cadres from other provinces within the region and from central agencies to provinces where cadres are lacking. Good, well qualified cadres must be selected for assignment to the districts.

It is necessary to clearly recognize the very important significance of the two purposes of this work: first, to make the district level strong enough to perform its large tasks and, secondly, to forge and train cadres.

The building of the district is a very good school for teaching, challenging and forging cadres. Many skilled cadres have been and are emerging within the building of the districts. A few provinces have adopted the policy of sending good cadres who show prospects and are being prepared for key positions on the provincial level to work in a district for a few years in order to train, forge and challenge them in practical work. Within these provinces, this effort has yielded marked, good results. This experience must be widely applied so that we soon reach the point where all of the cadres promoted to positions of leadership on the provincial and municipal (even the central) levels are cadres who have been challenged in practical work on the district level and at production and business units.

There are two incorrect approaches that must be corrected. One is the practice of retaining too many cadres at agencies on the upper level and not being determined to send cadres to the districts and installations. The other is the attitude of localism, of not wanting to accept persons sent down from the upper level or in from other places.

At the same time, we must accelerate the training of cadres who are local persons. This is a basic, long-range guideline as well as a pressing, urgent task.

We have established a relatively complete system of schools and classes for the training of leadership and management cadres for the district level. The districts must adopt detailed planning for sending cadres currently on the job

to advanced training classes or supplementary education classes and select reserve cadres to be sent for basic training in accordance with the plan and instructions set forth by the Organization Department of the Party Central Committee.

As regards the training of economic and technical cadres for the district, basic reforms must be carried out in accordance with the guidelines set forth in Political Bureau Resolution Number 32 (1981). The districts should not passively rely upon the results of the recruiting, training and distribution of students by the colleges and middle schools, rather, they must take the initiative and fulfill that part of the responsibility that is theirs in this work.

The district should be used as the unit upon which the formulation of the cadre training plan is based. Each district must formulate this plan. On the basis of its socio-economic plan, the district must project its needs for economic and technical cadres of all types and cooperative management cadres in the years ahead (in accordance with the instructions of the province and central sectors) and then select persons for training among the cadres and civil servants at district agencies, among manual workers, discharged soldiers and outstanding cooperative members who have been challenged in day to day production and work (the province has the responsibility of recruiting students within other districts of the province for those districts that lack prospective students). Suitable standards, standards different from those that apply to general school students, should be established for the recruiting and academic testing of these students. Training programs and subject matter can also be suitably adjusted and structured. Once they have been trained, these students must return to their district and installation to work. The academies and vocational middle schools of the provinces and municipalities and some colleges of the central level (most importantly the colleges in the fields of agriculture, forestry, water conservancy, marine products, planning, finance, commerce...) should allocate a portion of their yearly enrollment quota for the training of cadres for the districts by this method.

With the use of this method, clearly defined training objectives and requirements are established for schools at the very outset, training is closely tied to the distribution and utilization of graduates, students have a responsibility to their locality and the district can take the initiative in building its corps of cadres.

During the past several years, a few provinces have established ties with a few colleges to provide training by this method and have achieved good results. However, due to the lack of plans and general regulations on the part of the state, this continues to be a spontaneous effort characterized by waste and returns that are not high. It is suggested that the state examine and adopt specific regulations concerning this mode of training so that it can be implemented more effectively.

3. Continuing to improve the quality of leadership provided by the district

party committee and increasing the effectiveness of the district government apparatus while strengthening the guidance provided by the provincial level and central sectors.

The district party committees, which face large and comprehensive requirements in leading the building of the districts, are shifting away from providing general political and ideological leadership, from administrative work, bureaucracy and subsidization, from relying upon the upper level to providing economic leadership and management, to accounting and socialist business principles. This change is making it possible for the district party committees to rapidly grow and develop; at the same time, it demands that the district party committee--the core that leads the building of the district--make efforts to further improve its ability to lead and organize.

The district party committees must simultaneously make efforts in many areas: they must select and properly assign cadres and strengthen the key positions within the apparatus of the party and the district level government; they must make every effort to learn and cultivate, both through practice and formal classroom training, their knowledge in all fields; and they must improve the guidance they provide and their work methods.

To fully implement the mechanism "the party leads, the people exercise ownership and the state manages," the districts must be thoroughly familiar with and implement the regulations issued by the Secretariat on the work of the local party committees, fulfill the leadership function of the district party committee, which, on a day to day basis, rests with the standing committee, uphold the management function of the district people's committee and uphold the role played by the mass organizations. They must concern themselves with building and know how to utilize the specialized agencies of the district party committee and people's committee.

All of the activities of the district party committee must be oriented toward the basic level. Its workstyle and procedures must result in a close working relationship with the basic level and the primary focus of its militant activities must be the villages, hamlets and production and business units.

The district party committee must adopt a program of action for each period of time, keep abreast of matters of central importance and provide guidance that results in the completion of each job that is undertaken. When new or difficult jobs arise, the key leaders of the district party committee must personally provide close guidance, conduct a pilot project to establish a model and gain experience through which to train cadres. After a resolution has been adopted, the district party committee must allocate much time and effort to inspecting the implementation of the resolution at government agencies, by economic sectors, by production installations and so forth in order to discover good models and promptly correct mistakes that occur.

In its leadership, the district party committee must always coordinate ideological work with organizational work and closely tie ideological work to the tasks of the socio-economic plan and other political tasks. It must display a high degree of initiative, dynamism and creativity and tap the

spirit of collective ownership of the district while firmly adhering to the lines and policies of the party and laws of the state. Every display of dynamism and creativity must be based on the line of the party.

The district party committee must fully observe the principles governing the organization and activities of the party in order to maintain the practice of democracy and collectivism, maintain centralism and discipline, practice serious criticism and self-criticism, maintain revolutionary qualities and virtues and strengthen its internal unity.

Efforts on the part of the district level itself must go hand in hand with guidance and assistance from the provincial level and the central sectors. In the field of organization and cadres, it is suggested that they perform the following jobs for the districts:

The central sectors, together with speeding up the assignment of management responsibilities and installations to the districts, must provide guidance and instructions concerning the function, task, authority, organization and necessary cadre structure of the offices, departments and corporations of the district within the sector it manages. Together with the provinces, they must re-examine the assignment of cadres on the district level, most importantly in key districts, and transfer cadres to strengthen these districts, if deemed necessary.

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PARTY ACTIVITIES AND GOVERNMENT

ARMY SPORTS FESTIVAL CLOSES IN HANOI

BK291313 Hanoi Domestic Service in Vietnamese 2330 GMT 25 Nov 84

[Report on 25 November Hanoi closing ceremony of the second all-army physical and sport festival]

[Summary] "After 6 days of seething and spirited competition in Hanoi and Haiphong, the second all-army physical and sports festival organized to mark the 40th founding anniversary of the VPA concluded with splendid success at the Hanoi Stadium yesterday [25 November]."

Major General Ngo Hung, director of the Combat Training Department and deputy chairman of the organizing committee of the second all-army physical and sports festival delivered a report on the results of the festival.

Colonel General Le Trong Tan, member of the CPV Central Committee and chief of the VPA General Staff, on behalf of the Ministry of National Defense then made a closing speech. He commended various regular units and militia and self-defense forces for their efforts in participating in the festival. Dealing with training orientations of the physical education and sport movement, the colonel general said:

[Begin recording] "After the festival, all athletes must develop the results of the all-army physical and sports festival, more vigorously accelerate training with an appropriate system and plan and in accordance with the standardized order and discipline, thereby meeting requirements in labor and combat under all complex and tense circumstances. You must also continue to maintain and develop the physical education and sports movement from the grassroots level, especially military sports that serve combat training, accelerate sporting activities, and build a contingent of athletes and physical and sport cadres with able specialized skills, high quality and willpower, and disciplined habits in order to enable them to meet all the requirements of the army and the tasks assigned by the state. It is imperative for you to satisfactorily prepare all aspects and conditions to participate in the 1985 all-army physical and sports festival. All army teams are dutybound to participate in various games organized by the all-army physical and sports festival." [end recording]

The closing ceremony was concluded by a friendly soccer match between the Lao People's Army team and the Vietnamese Air Defense Force team. The Lao team won 2-0.

PARTY ACTIVITIES AND GOVERNMENT

VU DINH LIEU VISITS HA SON BINH PROVINCE

BK271312 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Nov 84

[Text] A Council of Ministers delegation led by Council Vice Chairman Vu Dinh Lieu has visited Ha Son Binh Province to inspect the conditions of the local people's life and production work.

The comrade vice chairman worked with the provincial party and people's committees, toured the ricefields of Ung Hoa, Phu Xuyen, Thuong Tin, and Thanh Oai districts, and visited members of the (Kim Duong) cooperative in low-lying Ung Hoa District. He conveyed the Council of Ministers' regards to the people and party organization of Ha Son Binh and commended the local people for their solidarity and mutual assistance in combating natural calamities and limiting the damages caused by them, and in cooperating with neighboring localities to quickly normalize life and restore production work.

Vice Chairman of the Council of Ministers Vu Dinh Lieu advised the party and administrative committee echelons in Ha Son Binh to develop the people's right to collective mastery, promote solidarity, help one another overcome the aftermath of floods, counter all enemy psychological warfare pronouncements, and firmly maintain political security and public order and safety.

CSO: 4209/82

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

TO HUU VISITS ARTS EXHIBIT--On the morning of 18 November, Comrade To Huu, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers visited an exhibit on the theme of fine arts and life organized by the Vietnam Plastic Art Workers Association and the College of Fine Arts. He was accompanied by Comrade Gu Huy Can, minister in charge of culture and arts in the Council of Ministers' office. Comrade To Huu warmly praised the beautiful products of a unique national character. He cordially advised the comrade leaders of fine arts work and plastic art workers to deeply study and effectively develop the traditional national fine arts by making use of the abundant raw materials available in each locality and the rich natural resources of the country. Comrade To Huu clearly pointed out the export value of fine arts products and encouraged all artists, craftsmen, agencies, and sectors to study ways to produce as many of these products as possible to meet the increasing demands of the people and the export sector. [Text] [BK250924 Hanoi Domestic Service in Vietnamese 2300 GMT 18 Nov 84]

CSO: 4209/82

ECONOMIC PLANNING, TRADE AND FINANCE

THAI BINH, DONG THAP INCREASE TAX REVENUES

Hanoi QUAN DOI NHAN DAN in Vietnamese 2 Oct 84 pp 1,4

[Article: "Thai Binh, Dong Thap Step Up Implementation of Industrial and Commercial Tax and Market Management Regulations"]

[Text] VNA--Since the beginning of the year, the Thai Binh industrial and commercial tax branch has strengthened management of business dealings and put markets and market management in order so as to increase sources of revenue for the budget while simultaneously guiding production installations to satisfactorily perform economic accounting and pursue collection of large amounts of money for the state.

The branch has coordinated with related sectors and production installations to transfer 2,300 households, 20 percent of the business households in the province, to production and to build new economic zones. It is guiding tax stations managing more than 9,400 business households closely monitoring individual business operations, and readjusting the tax level in strict accordance with the class and level of business. During the first 6 months of the year, the branch has managed almost 1,800 private commercial households in classes 1, 2, and 3 to increase more than 60 percent with respect to the number of large business households and increase 50 percent with respect to the amount of business compared with last year. Thanks to this, by the end of July the branch had collected 5.0 million dong in individual taxes, a 20 percent increase in the level of taxes compared with 1983.

The branch also has strengthened internal management and handled 19 disciplinary violations by the sector while simultaneously bringing nearly 300 demobilized and wounded troops in to strengthen the tax sector. Tax stations have handled more than 10,000 violations of tax policy and set up records to manage the amount of goods traded illegally, valued at millions of dong.

Due to the above efforts, by mid-August Thai Binh Province had collected 45 percent more industrial and commercial taxes than during the corresponding period last year.

By mid-September, Dong Thap Province had collected more than 266 million dong in industrial and commercial taxes, achieving 90 percent of the annual collection plan. The districts of Cao Lanh, Thanh Binh, and Tan Hong and the city of Ia

Dec collected between 1 and 3 million dong in excess of the 9-month norm. All the districts had the level of revenues increase two to three times that of the corresponding period last year.

The provincial industrial and commercial tax sector coordinated closely with the market management section and local authorities in inspecting the declaration and registration of business by each household and the size of businesses, and determined the proper level of taxes according to the new tax. Tax sector cadres regularly offer reminders and inspect registration and declarations of businesses, manage prices and tax payments at the prescribed time, and promptly commend households that satisfactorily complete their tax obligation and sternly deal with households that are overdue or refuse to pay taxes. The sector also conducts general inspections of license fees throughout the province and discovers and fines many instances of illegal business operations. So far the sector has collected 28.263 million dong in license fees, exceeding the annual plan by over 2 million dong.

Presently, the province's effort to collect industrial and commercial taxes is on the right track. The tax sector has formulated clear-cut collection plans for each month and quarter and is determined not to be stagnant, to closely manage business households and adjust the tax level rationally, and to combat deficits for the state.

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CSO: 4209/59

ECONOMIC PLANNING, TRADE AND FINANCE

HA BAC TIGHTENS CONTROL OF PORK SALES

Hanoi NHAN DAN in Vietnamese 19 Oct 84 p 2

[From Readers' Letters column: "Ha Bac Controls the Market"]

[Text] In Ha Bac Province, socialist commerce is making an effort to control the pork market. The food product corporations and the marketing cooperatives of the villages and subwards have undertaken the procurement and slaughtering of pork at prices lower than free market prices. The province has 180 villages that have opened pork counters. At the Bac Giang Market, pork is sold by the commerce sector every morning and afternoon. When farmers, cadres or manual workers have hogs that must be sold, the marketing cooperative sends personnel to weigh their hogs and make payment immediately instead of asking for a postponement of payment as was the practice previously. Despite this, there are still about 90 households within the province that are still secretly slaughtering hogs and selling pork on the edge of markets in order to evade inspection by responsible agencies.

Ha Bac is also exclusively managing tobacco products. Since the start of October, by taking the same steps that Hanoi has taken, the province has been closely managing the families that sell tobacco and guiding them in shifting to production, such as the handicraft trades, agricultural production and so forth. Additional cadres and personnel who possess good qualities, are of good character and are well versed in their occupation have been assigned to work at inspection stations at places through which dishonest merchants frequently pass, such as the villages that raise much tobacco and either end of the Thuong and Cau Bridges. Some days these stations confiscate from 7 to 8 tons of tobacco. These are the areas in which market management has been strengthened in Ha Bac in keeping with the resolution of the 6th Party Plenum.

However, some problems still exist. There are many rural markets, such as the Lanh Market, at which many persons are selling foreign cloth, ready-made clothing, bicycle parts and medicine without being inspected. These persons are not only disrupting the market of Ha Bac Province, but the market of many other localities as well.

Hoang Thanh
(Ha Bac Province)

ECONOMIC PLANNING, TRADE AND FINANCE

NHAN DAN EDITORIAL ON BANKING

Hanoi NHAN DAN in Vietnamese 13 Oct 84 pp 1, 4

[Editorial: "Controlling the Circulation of Money"]

[Text] At the 6th Plenum of the Party Central Committee, General Secretary Le Duan said: "The socialist state must tightly manage the circulation of money, stabilize and strengthen the purchasing power of the dong and reduce the amount of surplus money in circulation, especially the large amount of money in the possession of dishonest merchants, speculators, hoarders and smugglers. On the other hand, on the basis of controlling production and controlling the market, the state can take the initiative in issuing money in accordance with a plan in order to stimulate production and redistribute the sources of capital in a manner that benefits the forces of socialism, provided that money is used effectively."

Recently, some changes have begun to occur in banking activities, one of the very critical fields in distribution and circulation. Through credit and payment activities, the bank has had an effective impact upon the use of sources of capital to support the national economy. The savings campaign has helped the state to control goods and money better. The volume of cash passing through the bank has increased.

However, the above mentioned advances are only initial ones and have yet to become well established. Many branch banks are still not truly concerned with appropriately guiding the use of capital or with carefully planning investments so that they yield the highest possible economic returns and help to reorganize production. The use of non-cash payments continues to be a weak area. At many places, the urgent need for cash during the height of the procurement seasons for agricultural, marine, forest and many other products is not being promptly met by the bank at a time when the volume of cash circulating outside the bank is still very large, thereby having an adverse effect upon economic and social management. Negative phenomena within the banking sector have been corrected slowly, especially in the distribution of cash. At many places, it is still difficult and inconvenient to deposit or withdraw money. In the circulation of money, the relationship between supply and demand is still tight.

The bank and money are instruments of revolutionary struggle, are means by which social labor is mobilized, a division of social labor is established and the development of production is stimulated; at the same time, they are an important instrument of the state in the management of the economy. Firmly guaranteeing that the state controls money and gradually gains control over the circulation of money is a pressing task.

To control money, it is first of all necessary to control production. The circulation of money can only be carried out well on the basis of developing every economic potential in order to develop production, increase the efficiency of equipment and machine use, rapidly increase labor productivity and the social product and improve the management of the economy and prices. The state must control the absolute majority of the products produced by state-operated and collective economic units in order to put them into circulation through the organized and planned market network. Production and business units must strictly maintain management discipline; operate in a well planned and highly efficient manner that benefits the whole; deliver all the products required and exceed their plans on the quantity of products delivered to state-operated commerce; and make proper and economical use of wage, bonus and welfare funds. Every unit, including administrative management and work units, must truly control the circulation of money within their units by many different methods, most importantly by strictly complying with cash management regulations, not retaining more products than permitted for two-way trade or sale on the free market, not establishing illicit funds or retaining more cash than allowed, not sending cash to another locality to procure goods, thereby pushing prices upward... At a time when production is not developing rapidly, the volume of products being produced is not large and revenues and expenditures are imbalanced, it is even more necessary to adhere to the principle of the state controlling goods and money so that it can control the market and stabilize the standard of living of the people.

As regards the banking sector, controlling the circulation of money does not mean jealously guarding cash and not allowing it to grow or being indifferent and not looking for ways to bring cash under its control or arbitrarily granting loans on the basis of indulging someone, of an acquaintanceship with someone or earnings instead of on the basis of creating the conditions for production and business to develop in accordance with the plan and selected objectives and in a manner consistent with the actual situation. Some specific policies on monetary activities that have begun to be improved must be further improved and amended on the basis of actual practice so that persons who have money truly use it in a manner that benefits the common good when this money is deposited in accounts at the bank. Correct principles and regulations that are consistent with the new mechanism that exists in the management of credit and payments must continue to be fully implemented. Management principles that are not consistent with socialist management and accounting, that pose restrictions, give rise to additional negative phenomena or "tie the hands" of producers and businessmen must be quickly abolished. The bank must work more closely and effectively with installations and the various sectors and, on this basis, establish a new, dynamic and creative management system in its operations, be willing to make large expenditures in order to generate high revenues for the budget and improve its services with a view toward quickly and effectively supporting the various production and

business sectors. The bank must give more attention to its work involving cash, improve the quality of support provided by the network of socialist savings funds and truly make it convenient for the people to deposit savings. The bank must directly regulate the circulation of money, mobilize idle money into businesses and know how to operate in the finance business with flexibility and speed. Through its business operations, the bank must fulfill its functions of supporting and inspecting the process of production as well as the process of distribution and circulation. Bank cadres must be dedicated and honest persons who know how to "take the pulse" of and keep abreast of changes at production and business installations so that they can control the flow of money much more tightly, control it in a manner that serves the national economy and welfare of the people, a manner that generates a new confidence among the working people.

Controlling the flow of currency and stabilizing the market are a large task that confronts the entire party and all our people, each sector, each locality and each basic unit. Now, more than ever before, the working people, in the spirit of collective ownership, must do their very best to produce much material wealth for society and practice economy in their spending; at the same time, they have the responsibility of implementing and supervising the implementation of state policies and regulations on industrial and commercial taxes, on price and market management, on purchasing fatherland construction bonds, on depositing money in savings accounts... Taking these steps in a manner that is well coordinated will truly help to control the circulation of money.

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